46TH CONGRESS, 2d Session. } HOUSE OF REPRESENTATIVES. { Ex. DOC. No. 9.

SPECIE RESUMPTION AND REFUNDING OF NATIONAL DEBT

LETTER

FROM

THE SECRETARY OF THE TREASURY,

TRANSMITTING,

Letters and documents pertaining to resumption of specie payments and refunding of the national debt.

DECEMBER 2, 1879.—Referred to the Committee of Ways and Means, and ordered to be printed.

TREASURY DEPARTMENT,
December 2, 1879.

SIR: I have the honor to transmit herewith copies of letters, contracts, circulars, documents, and accounts pertaining to the resumption of specie payments and refunding the national debt during the period from March 1, 1877, to October 31, 1879, as mentioned in my annual report.

While the correspondence transmitted constitutes but a small portion of the aggregate, it is believed to cover all the important points, and to be sufficient for a clear understanding of the transactions referred to.

Very respectfully,

JOHN SHERMAN, *Secretary.*

Hon. SAMUEL J. RANDALL,
Speaker of the House of Representatives.

CONTRACT DATED AUGUST 24, 1876, BETWEEN THE SECRETARY OF THE TREASURY (HON. LOT M. MORRILL) AND MESSRS. N. M. ROTHSCHILD & SONS ET AL.

[NOTE.—This contract was in force at the beginning of Secretary Sherman's administration of the Treasury Department.]

No. 1.

This agreement entered into this twenty-fourth day of August, in the year of our Lord one thousand eight hundred and seventy-six, between the Secretary of the Treasury of the United States of America, of the first part, and Messrs. August Belmont & Co., of New-York, in behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates, and Messrs J. & W. Seligman & Co., of New-York, for themselves and associates, and Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co., of London, England, and Messrs. Morton, Bliss & Co., of New-York, representing the First National Bank of the city of New-York, the American Exchange National Bank of New-York, the Merchants' National Bank of New-York, the Third National Bank of New-York, Messrs. Kuhn, Loeb & Co., of New-York, the Bank of New-York National Banking Association, and Messrs. Morton, Rose & Co., of London, and themselves, of the second part:

Witnesseth, That the said Messrs. August Belmont (& Co.), of New-York, on behalf of Messrs. N. M. Rothschild & Sons and associates, hereby agree to purchase from the Secretary of the Treasury sixteen million five hundred thousand dollars ($16,500,000) of the United States bonds known as the four-and-one-half per centum funded loan of 1891, issued under the acts of July 14th, 1870, and January 20th, 1871; and that Messrs. J. & W. Seligman & Co., for themselves and their associates, hereby agree to purchase from the Secretary of the Treasury six million seven hundred and fifty thousand dollars ($6,750,000) of the bonds hereinbefore described; and that Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co., of London, England, hereby agree to purchase from the Secretary of the Treasury six million seven hundred and fifty thousand dollars ($6,750,000) of the bonds hereinbefore described; and that Messrs. Morton, Bliss & Co., of New-York, representing the First National Bank of the city of New-York to the extent of four million dollars ($4,000,000), the American Exchange National Bank of New-York to the extent of one million and fifty thousand dollars ($1,050,000), the Merchants' National Bank of New-York to the extent of six hundred thousand dollars ($600,000), the Third National Bank of the city of New-York to the extent of seven hundred and fifty thousand dollars ($750,000), Messrs. Kuhn, Loeb & Co. of New-York to the extent of one million and fifty thousand dollars ($1,050,000), the Bank of New-York National Banking Association to the extent of three hundred thousand dollars ($300,000), Messrs. Morton, Rose & Co. of London to the extent of one million one hundred and twenty-five thousand dollars ($1,125,000), and Messrs. Morton, Bliss & Co. of New York to the extent of one million one hundred and twenty five thousand dollars ($1,125,000), —hereby agree to the extent severally for each as above stated, to pur-

chase from the Secretary of the Treasury ten million dollars ($10,000,000) in the aggregate, of the bonds hereinbefore described, making a total aggregate of forty million dollars ($40,000,000), upon the terms and conditions following, to wit:

First. Of the said aggregate amount, not less than ten million dollars ($10,000,000) are hereby subscribed for, the subscription to take effect on the first day of September, 1876, and the remaining amount, namely, thirty million dollars ($30,000,000), may be divided at the pleasure of the parties of the second part into several successive subscriptions of not less than five million dollars ($5,000,000), each, to be made prior to the fourth day of March, 1877.

Second. The parties of the second part shall have the exclusive right to subscribe, in the same proportion to each of the subscribers, for the remainder, namely, two hundred and sixty million dollars ($260,000,000), or any portion of said loan authorized to be issued by the acts of Congress aforesaid, by giving notice thereof to the Secretary of the Treasury on or before the thirtieth day of June, 1877; but the party of the first part reserves the right to terminate this contract at any time after March fourth, 1877, by giving ten days' notice thereof to the parties of the second part.

Third. That the Secretary of the Treasury shall, when subscriptions are made by the said parties of the second part, issue calls with even date with said subscriptions, for the redemption of an equivalent amount of six per centum five-twenty bonds of the United States, as provided by said act of July 14th, 1870.

Fourth. The parties of the second part agree to pay for said four-and-one-half per centum bonds par and interest accrued to the date of application for delivery of said bonds, in gold coin, matured United States gold coin coupons, or any of the six per centum five-twenty bonds, called for redemption, or in United States gold certificates of deposit issued under the act of March 3rd, 1863, with the understanding that payment to the extent of the amount of any call shall be made within the time during which such call shall mature:

Provided, That, if the parties of the second part shall elect so to do, they may have the privilege of making any of said subscriptions payable specifically in uncalled six per cent. five-twenty bonds of the United States, in which case the Secretary of the Treasury may, to the extent of such payments, omit the calls mentioned in condition No. 3.

Fifth. The parties of the second part shall receive in coin a commission of one-half of one per centum on all bonds taken by them, as allowed by the act of July 14th, 1870, and shall assume and defray all expenses which may be incurred in sending bonds to London upon their request, or by transmitting bonds, coupons, or coin from there to the Treasury Department at Washington, including all cost of making exchange of bonds, and shall also be charged with the preparation and issuing of the bonds.

Sixth. No bonds shall be delivered to the parties of the second part, or either of them, until payment shall have been made in full therefor in accordance with the terms of this contract.

Seventh. During the continuance of this contract any sales of bonds ordered by the Secretary of the Treasury, by authority of law, except those that it may become necessary to sell to pay judgments of the Court of Commissioners of Alabama Claims, shall be made through the parties of the second part, who shall be allowed thereon a commission of one per centum in gold coin. And it is provided that the amount of bonds

so ordered shall not exceed in the aggregate twenty-five million dollars ($25,000,000), unless by mutual agreement of the parties.

LOT M. MORRILL,
Secretary of the Treasury.
AUG. BELMONT & CO.,
On behalf of N. M. ROTHSCHILD & SONS, *London.*
J. & W. SELIGMAN & CO.,
On behalf of SELIGMAN BROTHERS.
DREXEL, MORGAN & CO.,
On behalf of Messrs. J. S. MORGAN & Co., *of London.*
MORTON, BLISS & CO.,
For themselves and associates as named above.

WASHINGTON, *24th August*, 1876.

By authority of a vote of the board of directors of the First National Bank of the city of New York, passed this day, I hereby confirm the above subscription of four million of dollars.

FRANCIS O. FRENCH,
One of the Directors of said Bank.

Witnesses as to all:
HENRY F. FRENCH.
CHAS. F. CONANT.
E. J. BABCOCK.

FIRST NATIONAL BANK,
New York, August 24, 1876.

At a meeting of directors of this bank held this day the following resolution was adopted:

That Francis O. French be, and hereby is, authorized to sign the contract for and on behalf of the First National Bank of New York with the Secretary of the Treasury for the funding of the U. S. 5-20 6 per cent. bonds into the 4½ per cent. bonds, to the extent of ten per cent. of the contract.

I hereby certify that the above is a true extract from the minutes of this bank.

[SEAL 1ST NAT. BK. OF N. Y.] GEO. F. BAKER,
Cashier.

No. 2.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 8, 1877.

SHERMAN, *Washington:*

Have on hand $3,400,000 new 4½ per cent. bonds. Will you ship Saturday?

COON.

No. 3.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 8, 1877.

COON, *London:*

Cannot ship before March 14th or 17th. Telegraph at once what you want.

CONANT.

No. 4.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 8, 1877.

COON, *London:*

Deliver to Rothschilds $300,000 4½ per cent. coupon bonds, paid for here.

CONANT.

No. 5.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 9, 1877.

COON, *London:*

Deliver to N. M. Rothschild & Sons $300,000 4½ per cent. coupon bonds, paid for here.

CONANT.

No. 6.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 9, 1877.

SHERMAN, *Washington:*

Ship 1,000 hundreds; 1,500 five hundreds; 10,000 thousands; no fifties.

COON.

No. 7.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 9, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont authorizing 42d call should parties in America think best.

COON.

No. 8.

Forty-second call.—Redemption of 5-20 bonds of 1865—May and November.

1877.
Department No. 39.
Secretary's Office.

TREASURY DEPARTMENT,
March 10, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, dated November 1, 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 10th day of June, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$500—No. 38851 to No. 40400, both inclusive.
$1,000—No. 98651 to No. 108100, both inclusive.
Total coupon $7,000,000

REGISTERED BONDS.

$50—No. 491 to No. 496, both inclusive.
$100—No. 6351 to No. 6386, both inclusive.
$500—No. 3961 to No. 3973, both inclusive.
$1,000—No. 15051 to No. 15163, both inclusive.
$5,000—No. 6768 to No. 7385, both inclusive.
Total registered 3,000,000

Aggregate 10,000,000

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

CHAS. F. CONANT, *Acting Secretary.*

No. 9.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 12, 1877.

SHERMAN, *Washington:*

Price of silver to-day, 55½. Waiting production Indian budget; 280,000 sterling bought 56¼ and ½ shipped to America.

COON.

No. 10.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 12, 1877.

COON, *London:*

Deliver to N. M. Rothschild & Sons $500,000 4½ per cent. coupon bonds paid for here.

CONANT.

No. 11.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 15, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont authorizing 43d call if parties in America agree. COON.

No. 12.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, 15*th March*, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We informed you this morning, per telegraph, that Messrs, N. M. Rothschild & Sons authorize a new call of ten millions of 5-20 bonds against the same amount of 4½ per cent. bonds of 1891, for which we hereby subscribe on account of our contract of 24th August, 1876, and to which we hope to receive your answer, giving numbers, to-day.

Yours, very respectfully,

AUG. BELMONT & CO.

No. 13.

Forty-third call.—Redemption of 5-20 *bonds of* 1865—*May and November.*

1877.
Department No. 40.
Secretary's Office.

TREASURY DEPARTMENT,
March 15, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, dated November 1, 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 15th day of June, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$500—No. 40401 to No. 42300, both inclusive.	
$1,000—No. 108101 to No. 121000, both inclusive.	
Total coupon	$9,500,000

REGISTERED BONDS.

$100—No. 6387 to No. 6394, both inclusive.	
$500—No. 3974 to No. 3976, both inclusive.	
$1,000—No. 15164 to No. 15177, both inclusive.	
$5,000—No. 7386 to No. 7493, both inclusive.	
Total registered	500,000
Aggregate	10,000,000

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 14.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 16, 1877.

SHERMAN, *Washington:*

Have on hand but 65,000 4½ per cent. coupon bonds. Am I authorized to receive 5-20 called bonds and matured United States coin coupons as usual and deliver to Rothschilds under proper dates when new 4½ per cent. bonds arrive? COON.

No. 15.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 16, 1877.

COON, *London:*

You may receive from Rothschilds' 5-20 called bonds and matured U. S. coin coupons as usual. Another shipment should be asked for at once and 44th call ordered March 19. Party with bonds has sailed to-day by steamer Brussels. Deliver to Rothschilds' $500,000 new 4½ per cent. bonds paid for here. CONANT.

No. 16.

Mr. Conant to Mr. Weller.

TREASURY DEPARTMENT,
March 16, 1877.

ROYAL WELLER, Esq.,
Treasurer Woronoco Savings Bank, Westfield, Mass.:

SIR: Your letter of the 13th instant relative to the purchase of 4½ per cent. registered bonds of the funded loan of 1891 has been received. In reply, I have to inform you that the Secretary of the Treasury has entered into a contract for the negotiation of said bonds with Messrs. N. M. Rothschild & Sons, and their associates of London, England, who are represented in this country by Messrs. August Belmont & Co., J.

& W. Seligman & Co., Drexel, Morgan & Co., Morton, Bliss & Co., all of the city of New York, to whom I would respectfully refer you; also to the First National Bank of New York.

Very respectfully,

CHAS. F. CONANT, *Assistant Secretary.*

No. 17.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 17, 1877.

SHERMAN, *Washington:*

Ship March 24, 4½ per cent. coupon bonds: 500 50s, 500 100s, 2,000 500s, 10,000 1,000s. Price of silver 54½ flat. COON.

No. 18.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 19, 1877.

SHERMAN, *Washington:*

Price of silver 54 flat. COON.

No. 19.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 19, 1877.

SHERMAN, *Washington:*

March 19 thought somewhat premature. COON.

No. 20.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 20, 1877.

SHERMAN, *Washington:*

Price of silver 53¼. Little doing. COON.

No. 21.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 21, 1877.

SHERMAN, *Washington:*

Price of silver 53½—buyers'. COON.

No. 22.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 21, 1877.

COON, *London:*

Deliver to Rothchilds $100,000 4½ per cent. coupon bonds, paid for here. CONANT.

No. 23.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 23, 1877.

SHERMAN, *Washington:*

N. M. Rothschild & Sons will decide about 44th call on Monday. Market quiet. COON.

No. 24.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 26, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont authorizing 44th call if America agrees. COON.

No. 25.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 27, 1877.

SHERMAN, *Washington:*

Telegraph last numbers and date 44th call. COON.

No. 26.

Mr. Conant to Mr. Coon.

[Cable telegram.]

WASHINGTON, *March* 27, 1877.

COON, *London:*

Last numbers 44th call, dated March 27, * * * * * * Eldridge with 4½ per cent. coupon bonds sailed on steamer City of Berlin March 24. CONANT.

No. 27.

Forty-fourth call.—Redemption of 5-20 bonds of 1865—May and November.

1877.
Department No. 45.
Secretary's Office.

TREASURY DEPARTMENT,
March 27, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "Five-twenty bonds," of the act of March 3, 1865, dated November 1, 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 27th day of June, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$500—No. 42301 to No. 46000, both inclusive.
$1,000—No. 121001 to No. 132000, both inclusive.
Total coupon $9,500,000

REGISTERED BONDS.

$5,000—No. 7494 to No. 7600, both inclusive.
Total registered 500,000

Aggregate 10,000,000

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 28.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 28, 1879.

SHERMAN, *Washington:*

Party has arrived safely. COON.

No. 29.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
March 31, 1877.

Hon. CHARLES F. CONANT:

SIR: By virtue of the authority vested in me by the provisions of the act entitled "An act to authorize the refunding of the national debt," approved July 14, 1870, and the acts amendatory thereof, you are hereby appointed the funding agent of the Treasury Department, and directed to assume the general management and supervision of all business in London, England, arising from the funding of bonds under the acts above cited.

By the terms of the contract made on the 24th day of August, 1876, between the Secretary of the Treasury, of the first part, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates, and Messrs. J. & W. Seligman & Co., of New York, for themselves and associates, and Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co., of London, England, and Messrs. Morton, Bliss & Co., of New York, representing the First National Bank of the City of New York, the American Exchange National Bank of New York, the Merchants' National Bank of New York, the Third National Bank of New York, Messrs. Kuhn, Loeb & Co., of New York, the Bank of New York, National Banking Association, and Messrs. Morton, Rose & Co., of London, and themselves, of the second part, such of the bonds of the funded loan of 1891 as may be desired by the contracting parties will be sent to London and delivered to your custody, and will be by you delivered to the contracting parties from time to time, and in such sums as they shall make payment to you therefor in United States 6 per cent. five-twenty called bonds, matured United States gold-coin coupons, gold coin, or United States gold-coin certificates issued under the act of March 3, 1863, and not otherwise, in accordance with the conditions of said contract, a copy of which is herewith inclosed for your guidance.

The same general plan under which former negotiations were conducted will be observed by you, except so far as modified by these instructions, which are based upon the contract before mentioned.

All bonds, money, or coupons received by you must be securely kept in the safes furnished by this department for that purpose, said safes to be deposited in the vaults of the Messrs. Rothschild. Three combination locks with which these safes are provided shall at all times be used, and the combination of only one lock on each safe shall be intrusted to one person.

No safe or safes shall be locked or unlocked except by three persons and on distinct combinations, and each person shall use a combination unknown to the other.

All bonds, coupons, and coin received by you in payment for bonds must be retained in your possession, as above directed, until the same shall be delivered to proper parties for transportation to Washington, D. C. Should, however, the coin paid to you accumulate to such an extent as to cause inconvenience, or, in your judgment, too great risk, you are authorized to deposit the same in the Bank of England, subject to instructions from this department.

All persons dispatched to London by this department in custody of

bonds to be delivered by you will be subject to your direction and control.

By the fifth section of the contract, the parties having contracted to take the loan have agreed to assume and defray all expenses which may be incurred in sending bonds to London upon their request, or in transmitting bonds, coupons, or coin therefrom to the Treasury Department at Washington, including all cost of making exchanges and transfers of bonds; and shall also be charged with the expenses of the preparation and issuing of the bonds. Therefore the salaries and expenses of all clerks and parties (as well as your own) dispatched to London with bonds and assigned to duty under your direction, and all the incidental expenses, including transportation, telegrams, rooms, safes, payment of messengers, and all expenses incident to the proper transaction of the business under your charge, are to be defrayed by the subscribers for the bonds hereinbefore named, and no money will be drawn from the Treasury nor expenses incurred by the department for the purpose herein specified.

The rates of compensation and allowances which shall be paid to the persons who may be sent to London in connection with the refunding of the public debt under the contract mentioned are fixed as follows: Your own salary shall be at the rate of $6,500 per annum. The salary of your assistant shall be at the rate of $5,000 per annum. All other persons sent to London and returning therefrom shall receive, during the period occupied in traveling, the regular salary allowed to them by the department; an allowance of three dollars per diem in lieu of all other expenses, and also their expenses of transportation and those attending the transportation of safes, &c., in their charge between the points above named; and they shall also receive, while on duty in London, the regular salary allowed by the department, and an additional allowance of five dollars per diem as a commutation of personal expenses, and shall not receive any compensation in addition thereto.

All persons who may be sent to London in connection with refunding operations shall receive pay at the rates herein named for a period of forty days. All absence from the department in excess of that time shall be without pay.

You will inform the Secretary frequently, from time to time, of the condition of the business intrusted to you, and will render a weekly statement showing an exact account of all bonds, securities, and moneys in your possession.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 30.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 3, 1877.

SHERMAN, *Washington:*

Party has arrived safely. COON.

No. 31.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 5, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont authorizing 45th call if America agrees. N. M. Rothschild & Sons have received from Register 70,000 5 per cent. registered bonds transferred. COON.

No. 32.

Forty-fifth call.—Redemption of 5-20 bonds of 1865—May and November.

1877.
Department No. 49.
Secretary's Office.

TREASURY DEPARTMENT,
April 5, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, dated November 1, 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 5th day of July, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$500—No. 46001 to No. 49800, both inclusive.	
$1,000—No. 132001 to No. 141000, both inclusive.	
Total coupon	$9,500,000

REGISTERED BONDS.

$5,000—No. 7601 to No. 7764, both inclusive.	
Total registered	500,000
Aggregate	10,000,000

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 33.

Mr. Sherman to Messrs. Rothschild & Sons.

TREASURY DEPARTMENT,
Washington, April 6, 1877.

Messrs. N. M. ROTHSCHILD & SONS,
London, England:

GENTLEMEN: I received your friendly cable message of the 10th ultimo, and return my thanks and hearty good wishes.

I am very solicitous to promote the funding of our six per cent. bonds as rapidly as practicable, and feel indebted to you for the aid you have given in placing the 4½ per cent. bonds.

I propose no change at present; but it is my desire, if practicable, to withdraw the 4½ per cent. bonds from the market and substitute in their place the 4 per cent. bonds authorized by the funding act.

These bonds, as you know, are a very desirable investment, running thirty years from the date of issue, with every guard and security that has been given to any bond of the United States, and, we think, as safe and desirable as the securities of any other nation. It is probably the bond into which all the debt of the United States will in time be converted. I hope you and your associates will be able to engage with me to place this bond on the market when $200,000,000 of the 4½ per cent. bonds have been sold.

The public policy of the United States to resume specie payments on or before the 1st of January, 1879, is fully established by the law and by public opinion. It may be that the surplus revenue will be sufficient to enable me to carry out this policy without the sale of bonds. I am authorized by the resumption act to sell 5, 4½, or 4 per cent. bonds to prepare for resumption, and it may be desirable to sell through the syndicate, under that act, a limited amount of bonds, not exceeding, I hope, $30,000,000 a year. I do not wish in the execution of this duty to disturb the exchanges between Europe and this country. For this purpose I desire to sell only the 4 per cent. bonds, and must sell at par in coin, but could receive in payment coin coupons maturing within a limited time. I invite from you and your associates such suggestions and offers as you may think proper to make for the purchase of such bonds.

The operations of the syndicate have become so important that I have deemed it proper to ask Mr. Charles F. Conant, late Assistant Secretary of the Treasury, to take charge of the business in London, in connection with the gentlemen already there. He is well informed as to our laws, and I trust his services may be of advantage to the government and agreeable to you.

I will give my personal attention to this business, and will receive with pleasure any suggestions from you that will promote our common object.

Very truly,

JOHN SHERMAN, *Secretary.*

No. 34.

Mr. Seligman to Mr. Sherman.

NEW YORK, *April* 12, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

MY DEAR SIR: I had an interview with Messrs. Drexel, Morgan & Co., and conveyed to them your wishes respecting limiting the sale of the 4½ and taking the 4 per cent. bond in hand with the co-operation of the Messrs. Rothschild.

I told Mr. Drexel that you would be happy to see him and Mr. L. P. Morton in Washington, whenever convenient for them to go, and that on receipt by you of favorable advices from Mr. Conant after his arrival in London, you desired that Drexel, Morton, and I should repair to Washington, in company with other leading members of the syndicate, with a view of entering into a contract with the government, in conformity with your views as expressed to me, or perhaps with some slight

modifications, which, if suggested by the London people, through Mr. Conant, you may deem proper to adopt.

I shall see Mr. Morton in the course of this day, and have no doubt but that he, as well as Drexel and myself, will be happy to aid you in raising the credit of our common country, and assist the President and you in this patriotic work.

I remain, dear Mr. Secretary, yours, very faithfully,

JOS. SELIGMAN.

No. 35.

The Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE,
Washington, April 12, 1877.

The Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I have the honor to inclose, herewith, for your consideration, a copy of a dispatch of the 29th ultimo, No. 1470, from the chargé d'affaires of the United States at Paris, and of the correspondence with the Stock Brokers' Association of that city, which accompanied it, in regard to the admission of the United States 4½ per cent. loan to the Bourse, and to the establishment of an office in France for the payment of American coupons.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

[Inclosure.]

Mr. Hitt to Mr. Evarts, March 29, 1877—No. 1470, with accompaniments.

No. 1470.] LEGATION OF THE UNITED STATES,
Paris, March 29, 1877.

Hon. WILLIAM M. EVARTS,
Secretary of State:

SIR: I have the honor to inclose herewith a copy of a letter from Mr. Crèpon, representing the Stock Brokers' Association, inquiring in regard to the new United States 4½ per cent. three hundred million loan, with a view to its admission to the Paris Bourse, and a copy of my reply, with translations of both letters.

He also suggests the advantage of establishing an office in France for the payment of coupons on our bonds, and as this suggestion comes from a source enjoying high consideration here in the financial world, I forward the correspondence to you that you may, if you deem it advisable to do so, transmit it to the Secretary of the Treasury.

I have the honor to be, very respectfully, your obedient servant,

R. R. HITT.

ASSOCIATION OF STOCKHOLDERS,
Syndical Chamber, 6 Rue Menars, Paris, March 24, 1877.

SIR: The Syndical Chamber is solicited to admit to the negotiations of the Paris Bourse the United States 4½ per cent. loan, 15–30 ($300,000,000), created by acts of Congress of July 14, 1870, and January 20, 1871, and granted to Messrs. Rothschild and Seligman frères.

Convinced of the advantage there would be in officially negotiating this new fund of a government which justly enjoys much credit and favor, and whose bonds are for this reason widely diffused among the French public, the Syndicate Chamber is entirely disposed to permit it to be quoted.

But before taking this decision, it would like to be assured by authentic documents

in relation to this loan. For this purpose, it cannot do better than to apply to the first representative in France of the Republic of the United States.

I have the honor to request, sir, that you will kindly procure for the Syndical Chamber the information at your disposal, and also let me know, 1st, whether the new loan is quoted officially at the Stock Exchange of New York; 2d, whether there is already a sufficient quantity of the bonds positively issued to meet the wants of business.

Finally, sir, I will avail myself of this occasion to call your attention to the notable advantage it would be to the French holders, at present very numerous, of American bonds, to be able to cash their coupons in France, at some office which might be chosen by your government, and no longer be compelled to submit to conditions which are sometimes very high.

Please accept, sir, the assurance of my high consideration.

CRÈPON,
First Assistant Syndic of the Association of Stock Brokers of Paris.

Mr. WASHBURNE,
Envoy Extraordinary, &c., &c., &c.

LEGATION OF THE UNITED STATES,
Paris, March 28, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 24th instant, requesting information in regard to the 4½ per cent. 300 million loan of the United States.

In reply I inclose to you herewith a copy of the acts of Congress of July 14, 1870, and January 20, 1871, to authorize the refunding of the national debt, in accordance with the provisions of which laws this loan is issued. By the text of the law, it will be seen that the bonds are redeemable after September 1, 1891, in coin, with interest in coin, at 4½ per cent. per annum, payable quarterly; that they are exempt from all taxation, and that the proceeds of the sales of these bonds are to be applied to redeem and cancel outstanding five-twenty 6 per cent. bonds.

I have to say further, in response to your inquiries, that this loan is now quoted officially at the stock exchange of New York, that I am advised that more than 120 millions of dollars of these bonds have already been sold; and as the conversion provided for by the laws referred to is going on rapidly it may be expected that the entire 300 millions will be issued and in the hands of purchasers before long.

You remark that there would be an advantage in having an agency in France where French bondholders might cash their coupons. Such has not been the course of the Government of the United States heretofore, though several of the States have issued sterling bonds which were payable in London. It will give me pleasure, however, to convey your suggestion to my government.

I have the honor to be, &c.,

R. R. HITT,
Charge d'Affaires ad interim of the U. S.

M. CRÉPON,
First Assistant of the Syndic of the Stock Brokers' Association,
Syndical Chamber, 6 rue Menars, Paris.

No. 36.

Mr. Sherman to Mr. Grosvenor.

TREASURY DEPARTMENT,
April 13, 1877.

W. M. GROSVENOR, Esq.,
P. O. Box 1319, *New York:*

SIR: I am in receipt of your letter of the 10th instant, in which you ask whether the legal-tenders deposited for retirement of bank notes, are kept as a separate fund.

The provision of law under which withdrawals of bank-note circulation are made (18 Statutes, page 124, sec. 4) does not require that the United States notes deposited for this purpose should be held separate

and apart from other notes in the Treasury, and as a matter of fact, they have not been so held.

Your impression that the total currency assets of the Treasury are taken up in the debt statement is not warranted by the facts. For instance, at the date of the last debt statement the books of the Treasurer show that the fund in question, for the redemption of the circulating notes of reducing banks, other than gold banks, was $10,440,580; of banks in liquidation, $4,259,153; of failed banks, was $826,081, which, with deposits due disbursing officers, the 5 per cent. fund for the redemption of bank notes and other deposits payable on demand, amounted to $34,000,000 in round numbers. This latter sum was not included in the debt statement in the item "currency" $8,184,863.58, nor in the $35,155,000 "special deposit for the redemption of certificates of deposit," and, in fact, is not entered in the debt statement at all, because it consists of money not belonging to the United States but held subject to the demands of holders of bank notes and checks of disbursing officers.

But, though currency deposited on account of the withdrawal of bank notes is not held separate from other funds in the Treasury, there is at all times kept on hand in the Treasury currency equal in amount to the balance of deposits under said 4th section, and for the purpose specified therein, and the same may be said of the liabilities upon all other accounts alluded to above.

As to the advisability of withholding the information given above from the public, there is no reason or desire for concealment of the action of the department on the exact state of the Treasury.

You can state the facts but need not publish this letter.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 37.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, April 14, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: I have to-day seen Mr. Belmont and have given him the substance of our conversation in regard to the closing of the 4½ per cent. loan and the substitution of the 4 per cents. He will at once communicate your wishes (which he now learns for the first time) to Messrs. Rothschild, from whom we may expect shortly to hear.

I learn that some of the parties in interest here state that it is your purpose to make the 4 per cent. bonds upon their face specifically payable in *gold coin.*

I assure Mr. Belmont, and think I cannot be mistaken, that you intend to make them in conformity with the wording of the authorizing act "payable in *coin*," &c.

Further, they state that you desire to sell in all $200,000,000 4½'s for funding purposes, and to reserve a further sum of $50,000,000 4½'s to be sold from time to time without charge of commission for resumption purposes, using 4 per cents. exclusively for funding.

My understanding is that $200,000,000 is to be the total issue of 4½'s. That until that limit shall be reached any sales on resumption account

must be 4½'s and afterwards sales on resumption account must be *only 4 per cents.*

To prevent mistake, will you kindly say, in reply, whether or not I have correctly stated your views in these particulars, as I understand that some of our friends are cabling to-day to London that the 4's will be payable in gold and that in all $250,000,000 of 4½'s will be sold.

Respectfully and very truly yours,

H. C. FAHNESTOCK.

No. 38.

Mr. Belmont to Mr. Sherman.

NEW YORK, *April* 14, 1877.

MY DEAR SIR: I have had the pleasure of seeing Mr. Conant here who left by the steamer to-day for England.

It is to be hoped that on his arrival he may find the political horizon less threatening than it looks at this moment. If diplomacy can still prevent the calamity of war I have every reason to believe that ere long the syndicate will be able to carry out your views for the successful funding of our 5-20 bonds yet outstanding into 30-year 4 per cent. bonds.

The credit of our Federal bonds is now placed on an excellent footing, and with the peace of Europe secured, the successful reduction of interest can be accomplished. It is, however, in my opinion, very necessary to watch the political and financial outlook in Europe so as not to run the risk of bringing the 4 per cent. bonds out except at a time when there is good reason to believe that the public will take eagerly hold of them.

I need not repeat the assurance that the services of the Messrs. Rothschild and those of my house will, as heretofore, remain devoted to the success of the financial measures of the government, and I trust that their efforts will be crowned hereafter with the same success as they have been in the past.

Should you at any time wish my presence or that of my partner, Mr. Lucke, in Washington, either of us will be very happy to call on you.

Yours, most respectfully,

AUGUST BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D C.

No. 39.

Mr. Sherman to Mr. Coon.

[Cable telegram.]

WASHINGTON, *April* 16, 1877.

COON, London:

What amount of 4½ per cent. bonds have you issued? What amount of called bonds and coupons have you on hand? What amount of 4½ per cent. bonds have you on hand? When will 46th call be authorized? When shall you require more 4½ per cent. coupon bonds? Answer desired as soon as possible. SHERMAN.

No. 40.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, April 16, 1877.

MY DEAR SIR: Your note of the 14th instant is received. No doubt the probable war between Russia and Turkey may for a time interfere with our funding. The demands for Russian and Turkish loans may absorb a portion of the capital that would naturally flow into our securities; but our 4 per cent. bond, issued under the present condition of our country, must be universally regarded as so stable, certain, and desirable a loan, that it will be sought for investment against any war loan likely to be offered. Even actual war ought not in a few weeks to interfere with the process of refunding. I am glad that you take an active interest in this business, and I have a hope that, with the aid you and your associates can render, the 4 per cent. loan may be rapidly taken, both in this country and in Europe.

It would be well for the syndicate to select some one active person who might be the medium of verbal communication between its members and myself.

I would like at the present time to receive their ideas about the form of the bond. The number of coupons is so great as to make the bond bulky. If you will confer with each other and advise me, I will make the form of the bond and coupons suit your wishes.

Very respectfully, yours, JOHN SHERMAN.

Mr. AUGUST BELMONT,
New York.

No. 41.

Mr. Sherman to Mr. Fahnestock.

TREASURY DEPARTMENT,
Washington, April 16, 1877.

DEAR SIR: In reply to your note I have to say that the terms of the new bonds will have to conform to the words of the law, "payable in coin," &c., but they will be of the present date, when only one kind of coin is a legal tender for all debts. I do not propose to sell any 4½ per cent. bonds after they are once withdrawn from the market for any purpose, but will sell under the resumption act the same class of bonds that at the time are being sold under the refunding act.

Very truly, JOHN SHERMAN.

H. C. FAHNESTOCK, Esq.,
New York.

No. 42.

Mr. Seligman to Mr. Sherman.

NEW YORK, *April* 17, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR Mr. SECRETARY: Since I had the honor of last addressing you, the war clouds in Europe have assumed a darker hue, and appear ready to burst. Still it is possible that war may yet be averted; but,

whether or no, I have no doubt but that our bonds will continue the favored security, although large sales may be interrupted for some weeks.

Mr. Fabbri, Morton, and I met Mr. Belmont to-day, who desires to wait on you personally, in compliance with your kind invitation.

There will be no objection to Mr. Belmont going to Washington at any time, and I conveyed to him to-day your proposition, which I had conveyed to Mr. Drexel and Mr. Morton last week, that we should all wait on you early in May, after you had received favorable news through Mr. Conant from the members of the syndicate in London.

Gold, which some bold operator had this morning run up to 7⅛, has receded to 6⅞, and will, in my humble opinion, recede to 103 to 104, its normal value, before many months.

I remain, dear Mr. Secretary, yours, very truly,

JOS. SELIGMAN.

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No. 43.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK OF THE CITY OF NEW YORK,
April 17, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: I have received your favor of yesterday, and note the distinction you draw between the proposed 4 per cent. loan and the 5 per cents, because of the single coin standard (gold) now prevailing. But the text of both the 5s of 1881 and the 4½ per cents reads thus: "redeemable, &c., after * * in coin of the standard value of the U. S. *on said July* 14, 1870," showing that your predecessors in office have construed the words "present standard value" as relating only to the date of the authorizing act.

In considering the matter, do you arrive at a view that will cause you to change this wording? If not, I do not see how the latter date of the new issue can in any wise change the manner of payment.

The higher price of gold here and the political troubles abroad have for the moment checked sales of 4½ per cents, but we hope soon to see the way to take some action in the way of preparation for the new loan, and to communicate further with you upon this subject.

Respectfully and very truly, yours,

H. C. FAHNESTOCK.

No. 44.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 17, 1877.

SHERMAN, *Washington:*

I have delivered to date $46,357,500 4½ per cent. coupon bonds. Have on hand $12,255,000 5-20 called bonds and matured United States coin

coupons. Shall send cancelled securities April 19. Have on hand $13,682,500 4½ per cent. coupon bonds. Shall not require more at present. New 4½ per cent. bonds quoted 103¼ per cent. Nothing doing. Rothschilds request me to say more at present would damage market; probably more settled as soon as worst is known. Price of silver 54⅜.

COON.

No. 45.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 17, 1877.

SHERMAN, *Washington:*

Rothschilds desire me to ask you what amount of 5-20 called bonds have been redeemed in America under contract of August 24, 1876, including 37th call. Rothschilds have on hand $1,500,000, May 1st, matured United States coin coupons.

When am I authorized to receive them? COON.

No. 46.

Mr. Sherman to Mr. Coon.

[Cable telegram.]

WASHINGTON, *April* 17, 1877.

COON, *London:*

Amount of 5-20 called bonds, 32d to 37th call inclusive, redeemed in America, is $32,120,250. You may receive from Rothschilds at once May coupons, and hold them as collateral until April 25th, then take them in payment for 4½ bonds. SHERMAN.

No. 47.

Assistant Secretary French to Mr. Sherman.

TREASURY DEPARTMENT,
Washington, D. C., April 19, 1877.

I have considered the question presented to me, and my conclusion is that the 4 per cent. United States bonds may be issued "redeemable in coin," or in gold coin, notwithstanding the act of July 14, 1870 (vol. 16, page 272) says "they shall be redeemable in coin of the present standard value," that is, in coin of the standard value at the date of that act.

The legal effect of the clause "redeemable in coin of the standard value of the United States, July 14, 1870," is, in the 4½ per cent. bonds now issued, to make them payable in gold coin of that standard or in the silver dollars then existing, of which none are now to be found. Dr. Linderman says probably not one hundred of them are now in existence.

The statute phrase "in a bond now issued" would be equivalent to payable in coin, which, again, is equivalent to payable in gold coin, because

only gold coins are legal tender for an amount above five dollars. (See sections 3585 and 3586 R. S. as to legal-tenders.)

If, therefore, the government issue a bond payable in coin, it should be in such coin as the laws recognize as coin and as legal tender, and not in an obsolete currency like the silver coin recognized in the act of 1870.

The phrase "redeemable in coin of the present standard value" was designed as a guarantee to holders of the bonds that they should not be paid in coin of less value than gold of the then standard value, that is, that the government should not pay them in dollars of less intrinsic value.

At that time the stipulation had its value, especially with foreign buyers; now the phrase is worse than useless, as referring to a past standard, and so implying, what is not true, that the standard of value has changed.

If, therefore, the legal effect of the contract be the same with or without the phrase in question, it is clearly better to refer to the existing standard of value and say "payable in coin," or "in gold coin," which means gold coin of a standard value fixed by existing laws.

By the operation of the act of January 18, 1837, the amount of pure gold to the dollar was fixed at $23\frac{22}{100}$ grains, which remains unchanged to the present time. (Annual Report of Director of the Mint for 1873, page 9.)

I understand the phrase "standard value," as used in the act of 1870, to have reference to the amount of pure gold found in the coin. So long as the dollar contains $23\frac{22}{100}$ grains of pure gold, it is of uniform standard value within the meaning of the phrase as used in the act.

Respectfully submitted by

H. F. FRENCH, *Assistant Secretary.*

The SECRETARY.

No. 48.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 19, 1877.

SHERMAN, *Washington:*

Murray party with canceled securities has sailed to-day by steamer City of Chester. Price of silver 55, firm. COON.

No. 49.

Mr. Coon to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 23, 1877.

SHERMAN, *Washington:*

Four-and-a-half per cent. coupon bonds $103\frac{1}{2}$ to $\frac{3}{4}$, but no business doing. COON.

No. 50.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 26, 1877.

SHERMAN, *Washington:*

We arrived last night. Modifications proposed being considered by contracting parties. Expect to cable definite answer to-morrow. Declaration of war has unsettled the stock market. CONANT.

No. 51.

The Attorney-General to Mr. Sherman.

DEPARTMENT OF JUSTICE,
Washington, April 26, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: In answer to your letter of the 21st instant, requesting my opinion upon the following question growing out of the refunding act of July 14, 1870, to wit, "Can I stipulate in the body of the 4 per cent. bonds about to be issued that they shall be redeemable in coin of the present value; that is, the standard value at the date of their issue, or must it be the date of the law?" I have the honor to reply:

The act provides for the issue of bonds "redeemable in coin of the present standard value." The word "present" undoubtedly refers as a matter of date to the time when the act was passed, and not to the time when the bonds were thereafter issued. It contemplated that a long period would elapse before it would finally be carried into effect, and that changes in the coinage of the country might occur during that period. Whatever changes in the coinage should occur, these bonds were, however, to be redeemable in coin of the standard value as it existed at the date of the act. By this provision the holder was guarded against any depreciation that might take place in the value of the coin, and the government would not be compelled to pay the additional value should the coinage be appreciated. All the bonds issued under the act were to stand alike, no matter what was the date when such bonds were issued. Each was to be redeemable in coin which was included in the authorized coinage of the country at the date referred to, it being of the standard value as it then existed. Since the law was passed no change has taken place in the standard value of the coin. It is understood that there has been a certain change in the coinage of the country, and that silver dollars have now ceased to exist practically as coin.

It has been further provided by the statute of February 12, 1873 (Rev. Stat., sec. 3585–6), that "the silver coins of the United States shall be a legal tender at their nominal value for any amount not exceeding five dollars in any one payment." Notwithstanding this practical change in the coinage of the country, and the passage of this act in regard to legal-tender, the form of the bond to be issued by you should not be changed so far as the mode in which it is to be redeemed is concerned. It was not intended that this should be varied according to the changes which might be made in the coinage, because a definite rule

was given by reference to the coin of a particular date. That which will pay the bonds heretofore issued under this act will pay the bonds which you may hereafter issue. It cannot be authoritatively said that the words "payable in coin," or "payable in gold," are equivalent to the words used by the statute. Even if this leaves open for discussion the question whether bonds issued under this act are or are not redeemable in silver coin of the character and standard which existed July 14, 1870, it is not a doubt which it is in your power to remedy by the use of words in the bond other than those which this statute provides.

While I comprehend the difficulty suggested in your letter, and the convenience that there might be in removing any question upon this matter, I am therefore of opinion that it would not be safe to issue the bonds, except as redeemable in coin of the standard value of July 14, 1870.

Very respectfully, your obedient servant,

CHAS. DEVENS, *Attorney-General.*

No. 52.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *April* 28, 1877.

DEAR MR. SECRETARY: On the 26th instant I had the honor to send a cable dispatch to you as follows: "We arrived last night. Modifications proposed being considered by contracting parties. Expect to cable definite answer to-morrow. Declaration of war has unsettled the stock market."

The Messrs. Rothschild and the other contracting parties here were willing to accede to your wishes in respect to a modification of the contract, but owing to explanations which they required, and conferences, considerable time has been consumed, hence the delay in sending my dispatch of to-day, as follows (which translated reads): "Rothschild consents to sale of four and one-half per cents for resumption purposes, through the syndicate, without the commission allowed in the contract. Rothschild & Son agree to a withdrawal of one hundred million of the four and one-half per cent. loan, provided associates in America consent. Rothschild has cabled Belmont. If the war shall prevent sale of remaining sixty millions before June thirtieth, N. M. Rothschild & Sons hope option may be extended. New 4½ per cent. bonds, 103 to 103½."

The above, in regard to the extension of the contract, I included in the dispatch because I was requested to do so by Baron Rothschild, who seems to feel that he has made quite a concession in modifying the contract.

But little can be said regarding funding operations at this moment.

Everything here in the stock line is at a stand-still. People are waiting for the future developments of the war.

It is generally believed that England, France, and Germany will manage to remain neutral, in which event a demand for our bonds will soon spring up.

Our 4½ per cents are now a trifle below par, and the contracting parties will purchase all that come into the market so as to keep the price at par.

I shall press for a call just the moment there is a change in the con-

dition of things, which we hope will take place in a few days. The market here is quite as sensitive as the New York market, and quite different from it. The contracting parties think that, in the excitement of the present moment, it is best to defer a call for a few days.

With great respect, I remain, yours, truly,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 53.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 28, 1877.

SHERMAN, *Washington:*

Rothschilds consent to the sale of 4½ per cent. bonds for resumption purposes, through the syndicate, without the commission allowed in the contract, and they agree to the withdrawal of $100,000,000 4½ per cent. bonds, provided associates in America consent. Rothschilds have cabled Belmont. If the war shall prevent sale of remainder $60,000,000 before June 30, Rothschild and Sons hope option may be extended. New 4½ per cent. bonds 103 @ 103½. CONANT.

No. 54.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, April 28, 1877.

DEAR SIR: I have received to-day a cable telegram advising me that Messrs. Rothschild consent to the sale of 4½ per cent. bonds for resumption purposes, through the syndicate, without the commission allowed in the contract. This modification of the contract perhaps had better be reduced to writing, signed by you for the syndicate, and sent to me for my signature, but regarding the matter as agreed upon, you are authorized through the syndicate to sell $2,000,000 of 4½ per cent. bonds at par in coin, and place the proceeds in the subtreasury at New York. I would like it done, if practicable, on Monday, so as to show in the public-debt statement, but do not regard this as vital if there is any difficulty in the sale.

As soon as this is done, I shall, in my own way, state to the public the object of the sale as an indication of the policy I intend to pursue under the resumption act.

It may be that I will sell a portion of the gold for currency, and may hereafter arrange to receive a portion of the proceeds of these bonds in currency, but upon that point I intend to take advice as to my legal power in the matter and as to the policy proposed.

As to the other points in the telegram, I will confer with you.

Very truly, yours,

JOHN SHERMAN, *Secretary.*

Hon. AUGUST BELMONT, *New York.*

No. 55.

Mr. Sherman to Mr. Morton.

TREASURY DEPARTMENT,
Washington, May 1, 1877.

MY DEAR SIR: Your note was received this morning.

I may possibly be in New York about the middle of May, but the time is so uncertain now that I could not make an engagement, but will advise you before going.

I am happy to hear that the syndicate arrangement has been modified to meet your wishes. I supposed that it was understood on all hands that the war in Europe was the cause of the falling off in our loan, though I think it would have been wise policy in the syndicate to have boldly made a call a week or two ago in advance of sales, and I think they might do so now. Still I have not felt like pressing a call or interfering with their arrangements, for, after all, the 4 per cent. loan is the loan which we ought to seek to place upon the market, and which I hope the syndicate will be able to do by the 1st of July.

Very truly, yours, JOHN SHERMAN.

L. P. MORTON, Esq., *New York.*

No. 56.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 1, 1877.

CONANT, *London:*

Nearly one hundred and thirty-five millions 4½ per cents now issued. Will not Rothschild and Sons authorize 46th call? I desire this if possible. SHERMAN.

No. 57.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 2, 1877.

SHERMAN, *Washington:*

Think will get Rothschilds to authorize 46th call to-morrow or Friday. Pushing. Market quiet to-day; prices low. Expect Bank of England rate will be advanced. Price of silver, 54⅛. CONANT.

No. 58.

Mr. Morton to Mr. Sherman.

3 BROAD ST., *May* 2, 1877.

MY DEAR SIR: I am in receipt of your esteemed favor of the 1st instant.

As you will be officially advised, the syndicate take to account the two millions for resumption purposes.

I am quite of your opinion that it would have been better to have made a call some days ago, but the depressed condition of the European markets and the apprehension of our London friends that other powers might be involved in the war have led them to hesitate.

The New York associates are doing all they can to induce their London friends to assent to a new call, and I am not without hope that this result may be accomplished within a few days.

You may rest assured of the cordial support of all the members of the syndicate in any efforts which you may desire to make looking to resumption and the floating of the 4 per cent. bonds. It is a matter of vast importance, not only to the government, but also to the syndicate, that when the effort is made it should be made under circumstances which will insure success.

Believe me, respectfully, very truly, yours,

L. P. MORTON.

Hon. JOHN SHERMAN,
&c., &c.

No. 59.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 2, 1877.

DEAR SIR: Referring to our Prior's private letter of yesterday, we have now the pleasure to inform you that we are authorized by the Messrs. Rothschild to take from your department for account of the syndicate two millions 4½ per cent. bonds at par, in coin, to be issued for resumption purposes, in accordance with the desire expressed in your favor of the 28th ultimo, and taking it for granted that the modifications for the extension of the 4 ½ per cent. contract, as enumerated in our Prior's private respects of yesterday, meet with your approval.

We shall pay the proceeds of the above two millions into the subtreasury in the course of the month, which we presume will be agreeable to you, and shall inform you in due time in what manner we desire the above bonds to be issued.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 60.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, May 2, 1877.

DEAR SIR: I can see the force of the reasons which forbid any urgency in the sale of 4½ per cent. bonds for resumption purposes, and, in compliance with your note of yesterday, authorize you to make the sale so as not to disturb the market.

In the opinion of very good lawyers I can sell bonds for coin or its equivalent in United States notes, but I do not wish to assume a doubtful power, and for this occasion will sell for coin, and dispose of the coin afterwards.

I will await letters from Mr. Conant and Messrs. Rothschild before considering further the 4 per cent. contract, but hope that I will be requested to make a call this week under the existing contract.

Very truly, yours,

JOHN SHERMAN, *Secretary.*

AUGUST BELMONT, Esq.,
New York.

No. 61.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, D. C., May 3, 1877.

DEAR SIR: Your note of yesterday is received. In comparing your two letters I fear there may be some misunderstanding growing up between us that ought to be corrected at once. You speak in your second letter of taking it for granted that the modification for the extension of the 4½ per cent. contract, as enumerated in your prior letter, met with my approval. In your former letter you said that Mr. Conant had proposed that the contract be renewed until the end of November, omitting the ten days' option to cancel. I understood this suggestion to relate to the new contract about the four per cents, and so, upon a careful reading of your letter of May 1, it appears that it relates to a negotiation about terminating the 4½ per cent. contract at $200,000,000, and commencing the new contract; but you may have understood it differently, and it is well that we correct a misapprehension before it goes further. I have not proposed nor authorized Mr. Conant to propose an extension of the 4½ per cent. contract beyond the 1st of July, but I did authorize him to confer with Mr. Rothschild as to the new contract with the present syndicate without the benefit of the ten days' notice, but substituting the four per cent. bond for the 4½ per cent. It is difficult for us to negotiate about so important a matter by letter, and if you have inferred a willingness on my part to extend the 4½ per cent. contract to November, I wish to disclaim it, and perhaps we had better postpone any propositions about the new contract until I have the pleasure of meeting you and other members of the syndicate personally in New York or here, which I hope to do soon. The sale of the $200,000,000 for resumption purposes is approved, and I will deliver the bonds as deposits are made.

If, however, this purchase was made by Messrs. Rothschild & Sons upon any misunderstanding, I am willing that you should revoke it.

Very truly, yours,

JOHN SHERMAN, *Secretary.*

Hon. AUGUST BELMONT.

No. 62.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 3, 1877.

SHERMAN, *Washington:*

Ship by May 12th, 500 fifties, 500 one hundreds, 2,000 five hundreds, 11,000 one thousands; and registered bonds, 100 ten thousands, 100 twenty thousands, and 50 fifty thousands ($17,575,000). Market improving.

CONANT.

No 63.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 4, 1877.

SHERMAN, *Washington:*

Rothschilds and associates authorize new call for $10,000,000, provided Secretary Treasury will not sell during May and June (unless market improves) any 4½ per cent. bonds under resumption act. Rothschilds request me to say that contracting parties will push sales. Prospects more favorable. Proviso I think will not interfere with plans of the Secretary.

CONANT.

No. 64.

Mr. Morton to Mr. Sherman.

3 BROAD STREET, *May* 4, 1877.

MY DEAR SIR: As you will be officially advised, our London friends have assented to another "call," but with the understanding on their part that you will not desire to make any further sales next month for resumption purposes.

My object in writing personally is to express the individual opinion that, should you desire to make a sale of two millions more in June for resumption, the assent of our London associates could be obtained.

Respectfully, very truly, yours, L. P. MORTON.

Hon. JOHN SHERMAN,
Washington.

No. 65.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 4, 1877.

DEAR SIR: We beg to acknowledge receipt of your favor of yesterday's date, the contents of which have been carefully noted, with our best thanks.

We regret that any misunderstanding should have occurred between us with reference to the modifications of the present contract, which must be ascribed to the indistinctness of our telegraphic advices from London, and we fully agree with you that it will be preferable to defer further considerations of the present and propositions for a new contract, until we can have a personal interview with you. As we learn that you expect to be in New York shortly, we shall be pleased to have you appoint the time and place that may be most convenient for you for a meeting with the members of the syndicate, or, if you prefer, we hold ourselves in readiness to meet you in Washington.

We are much pleased to inform you that we are in receipt of a dispatch from Messrs. Rothschild, by which they accede to our recommendations and authorize a new call for ten millions, provided it will be agreeable to you to limit your sales for resumption purposes to the end of next month to the two millions which we have already agreed upon.

They are, undoubtedly, actuated in their desire to limit the amount to that figure by the uncertainty of political affairs and the disturbed state of the European financial markets; which we trust, however, will soon pass away.

We shall be obliged to you if you will telegraph us whether it will be agreeable to you to make the call to-morrow, and remain,

Dear sir, yours, very respectfully,

AUGUST BELMONT & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 66.

Mr. Sherman to Covington City National Bank.

TREASURY DEPARTMENT,
May 4, 1877.

I. D. HEARNE, Esq.,
President Covington National Bank, Covington, Ky.:

SIR: In reply to your letter of the 1st instant, which contains inquiry as to the probability of the retirement of 5 per cent. United States bonds, known as 10-40s and funded loan of 1881, also the securities termed 6s of 1881, prior to the redemption of consols of 1867 and 1868, I have to inform you that under existing law the last named bonds, which are 5-20s, must be retired before any action can be taken concerning the funding of the 5 per cent. bonds before alluded to or the 6 per cent. bonds of 1881.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 67.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 5, 1877.

SHERMAN, *Washington:*

Rothschilds and associates authorize 46th call without conditions, instead of ten million, cable of Friday; they agree to take two millions during May and three millions during June under resumption act. Hope they will consent to 47th call during this week. CONANT.

No. 68.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 5, 1877.

CONANT, *London:*

46th call issued to-day for balance of bonds, March 3, 1865 (May and Nov.). SHERMAN.

No. 69.

Forty-sixth call.—Redemption of 5-20 bonds of 1865—May and November.

1877.
Department No. 62.
Secretary's Office.

TREASURY DEPARTMENT,
May 5, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "Five-twenty bonds," of the act of March 3, 1865, dated November 1, 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 5th day of August, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$500—No. 49801 to No. 52267, both inclusive.
$1,000—No. 141001 to No. 150066, both inclusive.

Total coupon	$8,581,000

REGISTERED BONDS.

$50—No. 497 to No. 510, both inclusive.
$100—No. 6395 to No. 6397, both inclusive.
$500—No. 3977 to No. 3991, both inclusive.
$1,000—No. 15178 to No. 15247, both inclusive.
$5,000—No. 7765 to No. 8108, both inclusive.

Total registered	$1,533,550
Aggregate	10,114,550

The bonds outstanding and represented by the above-mentioned numbers constitute the residue of those issued under the act of March 3, 1865, dated November 1, 1865.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 70.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *May* 5, 1877.

Mr. SECRETARY: I received your cable message of the 1st instant the next morning, in regard to making a call, and at once communicated your wishes to the Messrs. Rothschilds and at the same time urged the matter very strongly upon them. I cabled an answer as follows: "Think will get Messrs. N. M. Rothschild & Sons to authorize 46th call to-morrow or Friday. Pushing. Market quiet to-day; prices low. Expected Bank of England rate will be advanced. Price of silver, 54⅛ pence." The Messrs. Rothschilds have a very large amount of four and one-half per cent. bonds on hand unsold, which they have taken from the syndicate to keep funding operations progressing and which they have purchased in the market to prevent a depression in prices, and for this reason and the further one that there have been no transactions in these bonds since the declaration of war (until within the past three days), they have been inclined to defer a call until a favorable change should occur in the market. An improvement has taken place, and during the past four days inquiries have been made for our bonds. Within that period nearly three million dollars have been sold, but at a reduced price, and I am inclined to think that the pressure for the call had something to do with bringing about the sales. The war excitement has at this moment subsided, to a great extent, and it is now the belief that there will be a good future demand here for our securities, as good as at any time heretofore. The contracting parties on yesterday consented to make a call with a condition, and I had the pleasure of sending a message to you, as follows: "Rothschild & Sons and associates authorize new call for $10,000,000 provided Secretary of the Treasury will not sell during May and June, unless market improves new four-and-one-half per cent. bonds on account of bonds authorized by act of January 14, 1875, for resumption of specie payments. Rothschilds request me to say that contracting parties will push sales. Prospects more favorable. Proviso, I think, will not interfere with plans of the Secretary of the Treasury." I insisted that no condition should be imposed, but Baron Rothschild produced a message from Belmont & Co., in which they stated that you had written them that you would not press sales of bonds for resumption purposes to interfere with funding while the market was so unfavorable as at present, but would leave the matter of the monthly sales for such purposes to be managed by the syndicate. As I before stated, I did not regard the condition as of any importance, because there is not, I think, any doubt but that sales of our bonds will be resumed and made to go off as rapidly as at any time heretofore. They asked for the condition as a protection in case of a bad market, but Messrs. Rothschilds say that if

it shall prove to be a good one then they will be pleased to sell the bonds for resumption purposes.

On Thursday, the 3d instant, as had been anticipated, the Bank of England increased the rate of interest to 3 per cent. This advance was made necessary by the large withdrawals of gold for export, a large portion of which was sent into Germany.

The average rate during the past twelve months has been 2 per cent. During the week ending April 26 the withdrawals of coin and bullion were £412,000 for export and £103,284 for provincial circulation; and during the week ending May 3 the withdrawals of gold were £675,089 for export.

The bank now holds in coin and bullion £25,004,621, and its circulating notes are £29,077,985. Its deposits are £28,795,649; securities in banking department, £35,822,552; reserve, £10,926,636.

The Bank of France had notes in circulation May 3 amounting to £99,921,800, and coin and bullion amounting to £88,339,484, 88 per cent. being the proportion between bullion and circulation.

An advance in the bank rate, it is said, no longer has the power to affect the market here, the market rate always being below that of the bank. So soon as the market here is ready for the four per cent. bonds the present contracting parties are desirous of making a contract to place them.

In the condition in which the market was at the time I arrived here, and in which it is now, four per cents would sell very slow, if at all, but I believe they will go off after a while.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

The honorable JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 71.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 7, 1877.

DEAR SIR: Referring to the subject of your conversation with our Mr. Lucke on Saturday, we beg to say that we have further communicated with the Messrs. Rothschild about the new call and the five million bonds which you desire to dispose of for resumption before the first of July, and we are just in receipt of a dispatch from them in which they promise us a definite reply to-morrow morning.

We shall take pleasure in communicating the same to you as soon as received, and hope it will be of a nature to enable us to fully meet your wishes.

The members of the syndicate will be glad to wait upon you on *Thursday*, at noon, and we beg you will kindly let us know whether this hour will be entirely agreeable to you.

We remain, yours, very respectfully,

AUGUST BELMONT & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 72.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, May 7, 1877.

DEAR SIR: A telegram received from Mr. Conant this morning is quite satisfactory, and I have this day issued the 46th call. The amount over ten millions will be paid directly from the Treasury for the benefit of the sinking fund, leaving ten millions for you to provide.

In conversation with Mr. Lucke, I mistook the date of my visit to Philadelphia. I will be there on Thursday, and wil' at the Fifth Avenue Hotel in New York on Friday at two o'cloc epared to see you and your associates. Please give them notice, as I have communicated this meeting to no one.

Very truly,

JOHN SHERMAN.

Hon. AUGUST BELMONT,
New York.

No. 73.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May 7, 1877.*

CONANT, *London:*

Cannot secure berths for May 12th, but May 16th; will that answer?

SHERMAN.

No. 74.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May 7, 1877.*

SHERMAN, *Washington:*

May 16th will answer.

CONANT.

75.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, May 8, 1877.

DEAR SIR: Your note of yesterday is received.

I wrote you yesterday advising you that I would be in New York on Friday instead of Thursday, and as I go over on the train Friday morning from Philadelphia, it would be more convenient to see you at two than twelve.

Mr. Conant cabled me yesterday the definite acceptance by Messrs. Rothschilds to take three millions on resumption act in June, and to issue the call without conditions. I acted upon this telegram, and no doubt it was confirmed to you yesterday or will be to-day.

It would be better to have the modification of the syndicate contract sent by Mr. Lucke reduced to writing in form, so that we may sign it Friday.

Very truly, yours, JOHN SHERMAN.

Hon. AUGUST BELMONT,
New York.

76.

Mr. Belmont to Mr. Sherman.

New York, *May* 8, 1877.

DEAR SIR: I beg to acknowledge receipt of your note of yesterday's date, advising me of the issue of the 46th call, the excess of which over ten millions is intended for the sinking fund, leaving ten millions to be provided for by the syndicate. The associates of the latter accept the call, and also agree to the modification of the contract of the 24th August last, as detailed in the memorandum given to Mr. Lucke while in Washington, and involving the sale of five millions 4½ per cent. bonds for resumption purposes prior to the 1st of July, with a commission of ½ per cent. to the syndicate.

I note that you expect to be here on Friday, instead of on Thursday, and shall take pleasure in waiting upon you with the other members of the syndicate at the Fifth Avenue Hotel at 2 o'clock.

Our markets for the bonds continue unfavorable, particularly in Europe, where the reply of Lord Derby to the Russian note, as published yesterday, has caused much uneasiness. We trust, however, that affairs may improve soon, and enable us to make again a more rapid progress with the funding operations.

I am, very truly, yours, AUGUST BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

No. 77.

Modification of contract of August 24, 1876.

MAY 11, 1877.

The agreement entered into of the date of August 24, 1876, between the Secretary of the Treasury of the United States of America and the undersigned parties, is so far modified that the seventh clause thereof shall, from and after this day, be as follows:

"*Seventh.* During the continuance of this contract, any sales of bonds ordered by the Secretary of the Treasury, by authority of law, shall be made through the parties of the second part, who shall be allowed thereon a commission similar in amount, and subject to the same deductions, as prescribed in the fifth clause of this contract; and it is provided that

the amount of bonds so ordered, prior to the first day of July next, shall not exceed five million dollars, unless by mutual agreement of the parties."

JOHN SHERMAN,
Secretary of the Treasury.
AUG. BELMONT & CO.,
In behalf of N. M. ROTHSCHILD & SONS, of London.
J. & W. SELIGMAN & CO.,
On behalf of SELIGMAN BROTHERS.
DREXEL, MORGAN & CO.,
On behalf of Messrs. J. S. MORGAN & Co., of London.
MORTON, BLISS & CO.,
For themselves and associates.

Witnesses as to all:
DANIEL BAKER.
E. J. BABCOCK.

No. 78.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND,
May 12, 1877.

Mr. SECRETARY: I was very glad indeed to learn through your cable message of the 7th instant that you had made a call of $10,436,050 of bonds, the balance of the "five-twenties of 1865."

The unsettled condition of the stock market here, and the uncertainty as to what the war might develop—during the time the call was pending—divided the opinions of the contracting parties as to the amount which it would be "prudent" for them to call, and when they learned, through Belmont & Co., that the call of $10,000,000, which they desired to have made on condition that no bonds should be sold during May and June for resumption purposes, unless the market should be more favorable, did not meet with your approval, they had a conference, and agreed to make a call in lieu of that one, as I cabled, viz: "Rothschild and associates authorize 46th call, $5,000,000, without conditions, instead of $10,000,000, cable of Friday. They agree to take $2,000,000 during May and $3,000,000 during June on account of bonds authorized by act of January 14, 1875, for resumption of specie payments. Hope they will consent to make 47th call this week."

No argument could induce them to change their conclusions. They wished to proceed safely and prudently. I am satisfied, however, that no matter what the terms of the call are, *i. e.*, whether with or without sales of bonds to be made for resumption purposes during May and June, the contracting parties will accede to them.

The declarations of the ministry and the debates in Parliament have demonstrated to the public that England will not engage in the war unless absolutely forced to take part in it, and it has had the effect to quiet and settle the stock markets not only here but on the Continent. The price of 4½ per cent. bonds has naturally been a little lower in this than in the New York market, and quite an amount of them, say probably three million dollars, have been picked up by Raphael & Co. and others and sent to New York. This operation accounts for some of the shipments of gold which are being made in New York. The syndicate is giving attention to the matter, and will endeavor in the future to keep the prices of the bonds in both markets at such figures as will prevent

shipments from this side. Another thing which has operated to bring gold here from America is the fact that more 4 per cent. bonds have been sold there than there were called 6 per cent. bonds held there.

The Dutch held very large amounts of the 6 per cent. called bonds, and instead of exchanging them for 4 per cents, they have sold them and invested the proceeds in Russian stock. Their action can only be accounted for in this way: They purchased our bonds, when they were very low, at about 60 per cent., and they have received good interest and have realized a handsome profit on them. They now turn about and purchase the Russian stock at about 74 per cent., paying 5 per cent. interest, hoping not only to receive the equivalent of 7 per cent. interest, but to receive the full par of the principal at some future date, just as they now have of our bonds.

In the recent decline in prices of bonds in this market British consols fell 2 per cent.; Russians more than 20 per cent., while our 4½ per cents declined only 1¼ per cent. They were maintained at steadier and better prices than any other stocks in the market.

It seems to me that just as soon as exchanges become regulated our bonds will go off again with a rush. Exchanges had not been so regular and undisturbed for many years as they had been before this war excitement.

There is no doubt in my mind but what our 4 per cents will find a market here just so soon as the 4½ per cents are out of the way. No public announcement has been made here of the withdrawal of one hundred million. I think it would be good policy to have it done.

I have ascertained from private sources that the German Government has about £12,000,000 in silver yet to be disposed of, and it will convert it into gold as rapidly as practicable. It is thought that the silver coinage, which was fixed for the country ten marks ($2.50) per capita, will be insufficient for some portions of it, especially the southern portion, by reason of the small amount of wages earned by the people and their little savings. No gold to any extent has been coined in Germany during the past six months; that which has been received there has been kept in bars for greater convenience if needed for military purposes. I saw, two days ago, a quantity of gold bars *in transitu* for Germany which were refined at the Pacific establishment at San Francisco. I am told that the silver which was purchased by the Bank of Nevada from the German agents, which it was thought had been sold by that bank to the Treasury, was really sent to San Francisco and coined into trade dollars and then shipped to China.

The Bank of England return for the week ending the 10th instant, was: Circulation, £28,546,885; coin and bullion, £24,837,739; deposits, £28,320,911; securities in banking department, £34,995,227; reserve, £11,290,854.

The Imperial Bank of Germany has raised its rates of discount to 5 per cent., and the rate of interest for advances to 6 per cent.

Its coin and bullion at the last report, April 30, was £27,923,000, with notes in circulation amounting to £36,371,000. The return of the Bank of France gives the cash and bullion as being on hand as £88,460,665, a slight increase over the last return, and the active note circulation as £98,706,607, a slight decrease. The proportion between bullion and circulation is 89-6.

I send herewith a statement (just published) of the public income and expenditures of the United Kingdom of Great Britain and Ireland for the fiscal year ending March 31 last, by which it will be seen that there was an income in excess of expenditure of £439,806.

We shall constantly press the contracting parties to make calls. They

promise to do everything that can be done to facilitate refunding operations.

The office force here has been constantly employed since my arrival. We have a quantity of called bonds and coupons on hand, and I expect we shall complete a shipment to send next week in charge of Mr. Gifford.

With kind regards, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 79.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, May 14, 1877.

DEAR MR. CONANT:

* * * * * * * *

On Friday last I concluded a modification of the present syndicate contract, which provides for the sale of five million 4½ per cent. bonds at par in coin for resumption purposes. A further negotiation is pending as to the renewal and modification of the contract, of which I will give you due notice when completed. In the mean time I wish to keep steadily in view the sale of the balance of two hundred million 4½ per cent. bonds, and, if possible, I wish to make the necessary calls during this month and next.

You can assure Messrs. Rothschild of every disposition on the part of the government to meet their views, and to extend the contract with the necessary modifications. Their efforts in maintaining the credit of the bonds and securing this result will be highly appreciated.

I would like to have you write me at least twice a week as fully as practicable.

Very truly,

JOHN SHERMAN.

Mr. C. F. CONANT,
London.

No. 80.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, D. C., May 14, 1877.

Hon. AUGUST BELMONT, *New York:*

DEAR SIR: After considering the suggestions made during my conversation on Friday last with you and your associates, and after consulting with the President, I submit for your consideration the following basis for a renewal of the existing loan contract: First. One hundred million 4½ per cent. bonds to be withdrawn from the market. Second. The associates to subscribe for the balance of the two hundred million, or $45,000,000, of which five millions are for resumption purposes to be paid for during July. Third. The new contract to extend to November 1st, and the associates to subscribe for $25,000,000 4 per cent. thirty-year bonds, of which $5,000,000 will be for resumption purposes, to be paid for during August, and the $20,000,000 on calls to be made, say, in July and August. Fourth. If $50,000,000 additional 4 per cent. bonds are subscribed for during September and October the contract will be

extended until January 1, 1878, $5,000,000 each month to be paid for resumption purposes. Fifth. The general conditions and terms of existing contract to apply to new contract, but not to be binding until reduced to writing and subscribed by the parties. I take this early occasion to write you so that you may have full time for consultation, and I will meet you here whenever you think it advisable to talk over the matter.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 81.

Mr. Belmont to Mr. Sherman.

NEW YORK, *May* 15, 1877.

MY DEAR SIR: I beg to acknowledge receipt of your favor of yesterday's date, submitting a basis for a renewal of the existing loan contract, which I have communicated to the associates here, and shall take pleasure in transmitting the same to London by this mail for the consideration of Messrs. Rothschild and their associates in Europe.

I hope that the political and financial position of Europe may take a favorable change by the time your proposition reaches London, so that the syndicate may be able to meet your views.

As soon as I shall receive an answer from Europe I shall have the honor to communicate it to you.

Yours, most respectfully,

AUGUST BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 82.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 15, 1877.

CONANT, *London:*

Deliver to Rothschilds 400,000 new 4½ per cent. bonds on account of bonds authorized by act of January 14, 1875, for resumption of specie payments, paid for here.

SHERMAN.

No. 83.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 16, 1877.

CONANT, *London:*

Party with bonds has sailed to-day by steamer Russia (Burns).

SHERMAN.

No. 84.

Messrs. von Hoffman & Co. to Mr. Sherman.

NEW YORK, *May* 16, 1877.

SIR: We take the liberty to address you for the purpose of ascertaining whether we may make you a firm offer for a round amount of United States 4½ per cent. fifteen-year bonds, say ten to twenty millions, deliverable at your pleasure, or, if agreeable, at the rate of at least five millions per month.

We have been informed that the sale of five millions of the above bonds to the syndicate a few days ago was made for resumption purposes, and in case you should desire to increase such sales we would be pleased to receive your permission to submit you our firm bid.

Our telegraphic advices from London quote United States bonds higher and in better demand, and we have no doubt that in case you would be pleased to accept our offer for an amount of the 4½ per cent. bonds, at about par, we could sell the bonds with a satisfactory profit in the European markets.

We shall be pleased to be favored with your reply, and are, sir,

Your most obedient servants,

L. VON HOFFMANN & CO.

The Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

No. 85.

Mr. Sherman to Messrs. von Hoffmann & Co.

TREASURY DEPARTMENT, *May* 17, 1877.

Messrs. L. VON HOFFMANN & CO., *New York:*

GENTLEMEN: I am not at liberty, under the existing contract for the sale of bonds, to accept your offer, but will have to refer you to the syndicate, and desire very much to secure your co-operation with them in such sale.

My purpose is to place upon the market, as soon as practicable, the 4 per cent. thirty-year bonds authorized by the refunding act, which I regard as the most desirable security ever offered, both for investors and the government, and invite your attention to it in the hope that you can aid me in this important operation.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 86.

Messrs. von Hoffmann, & Co. to Mr. Sherman.

NEW YORK, 18*th May*, 1877.

SIR: We have the honor to acknowledge the receipt of your esteemed favor of the 17th instant, and take due notice that under existing contract you cannot accept our offer for the 4½ per cent. United States bonds.

For some unaccountable and strange reason our firm as well as our London friends, Messrs. R. Raphael & Sons, bankers, both known for their large transactions in United States bonds since beginning of our late lamented civil war, were excluded as members of the present syndicate, and it seems now an impossibility to co-operate with them in the sale of the bonds.

We, however, note with great pleasure your purpose to place before long upon the market the 4 per cent. 30-years bonds authorized by the funding act, and you may rest assured that our and our friends, services are entirely at your disposal to assist you in this important operation.

We await with great pleasure your further communication upon this subject, and we have the honor to sign,

Sir, your most obedient servants,

L. VON HOFFMANN & CO.

Hon. SECRETARY OF THE UNITED STATES TREASURY,
Washington, D. C.

No. 87.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *May* 19, 1877.

Mr. SECRETARY: In my last letter I remarked that the syndicate would give attention to the matter of the shipment of new 4½ per cent. bonds from this point to New York, with the view of preventing as far possible the shipment of gold from the latter place. They have succeeded in accomplishing that object by advancing the price of bonds here; and unless some great disturbance shall occur in the market in the future, like that occasioned by the recent declaration of war, there will be no further trouble in this direction. The selling price to-day for the bonds is 102¾, or £102 15*s.* for a five hundred dollar bond, equivalent to $100.70 New York quotation of yesterday for a $100 bond.

The contracting parties act upon the principle that during a period, say, of four months, they can place more bonds by maintaining a steady, uniform price, by not allowing any bonds to go into the market under that price, than they could by changing the price to meet the views of buyers whenever there might be little or no demand. They say that investors will invariably purchase when prices are steady and firm, or when rising, but not when prices are falling; and that it is only the speculator who buys for speculative purposes at such a time. They do not, therefore, force or press the market at all.

The stock and money markets here and on the continent are terribly sensitive to all political movements. Marshal McMahon's action, which led to the retirement of his ministers, produced a consternation on Thursday, and for a time depressed the price of stocks here. The discussions in Parliament as to the course of policy which England ought to pursue respecting the Russo-Turkish war, taken altogether, have had a tendency to keep money matters in a state of feverish excitement. We have not heretofore, in our refunding operations, had any such war or political disturbances to contend with. The next loan to be called in, the consols of 1865, is largely held here and in Germany, principally in the latter country; and I do not see how we are to keep our gold at home, unless we sell our bonds in these markets, where the called bonds are to be paid. If, however, nothing serious comes of the French diffi-

culties—and the best informed people here think that no trouble is to be apprehended in that quarter—there can be no doubt but there will soon be large demands in the markets here for our bonds.

There is quite as much gold coming here from Australia as there is from America. Our eagles and double-eagles which were sold here (to arrive) for the Paris market have been resold at a loss, and will go into the Bank of England or be returned home.

We have now $11,208,397.06 in called bonds and coupons on hand, and shall receive more next week. I have delayed the shipment of the same for one week, in order to close out what we have and may receive before the shipment of 4½ per cents. which you made on the 16th shall arrive. The silver market is likely to remain quiet.

I inclose herewith a table showing the amount of gold, circulation, &c. of some of the principal banks.

On account of the sale of bonds for the resumption of specie payments the contracting parties could not be induced to make a call this week. If everything goes right they will, I am satisfied, authorize one next week.

I should be very much pleased to hear from you.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

The returns of the *Bank of England* for May 16 gave the circulation (excluding bank post bills) as £28,479,010, a decrease of £70,000; the *coin* and *bullion* as £24,993,663, an increase of £155,924; the deposits as £28,280,974, a decrease of £40,000; the securities in banking department as £34,730,066, a decrease of £260,000; and the *reserve* as £11,514,653, an increase of £213,799.

The *Imperial Bank of Germany* holds of coin and bullion £27,728,000 (showing a loss of £195,700 during the week); and it has notes in circulation amounting to £35,959,000, a decrease of £412,000 during the week.

The *Austrian National Bank* has £13,662,000 in coin and bullion, and a circulation of £28,217,000.

The *Bank of France* returns for May 17 show a balance of *coin and bullion* of £88,971,988, an increase over the preceding return of £511,324; and *notes* in circulation amounting to £98,767,632, an increase of £60,948.

No. 88.

Forty-seventh call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1877.
Department No. 67.
Secretary's Office.

TREASURY DEPARTMENT,
May 21, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "Five-twenty Bonds," of the act of March 3, 1865, dated July 1, 1865, will be paid at the Treasury

of the United States, in the city of Washington, on and after the 21st day of August, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$50—No. 1 to No. 3000, both inclusive.
$100—No. 1 to No. 4000, both inclusive.
$500—No. 1 to No. 5000, both inclusive.
$1,000—No. 1 to No. 11000, both inclusive.
Total coupon $6,000,000

REGISTERED BONDS.

$50—No. 1 to No. 100, both inclusive.
$100—No. 1 to No. 700, both inclusive.
$500—No. 1 to No. 700, both inclusive.
$1,000—No. 1 to No. 2800, both inclusive.
$5,000—No. 1 to No. 1100, both inclusive.
$10,000—No. 1 to No. 1181, both inclusive.
Total registered 4,000,000

Aggregate 10,000,000

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 89.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
May 23, 1877.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Referring to our several conversations, letters, and telegrams, and to avoid misapprehension, I desire to state that, as I understand, it is now agreed between us that one hundred millions of the four and one-half per cent. bonds described in the second clause of the agreement of the date of August 24, 1876, between the United States and Messrs. Rothschild & Sons and associates are withdrawn.

Please advise me if you so understood it.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 90.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 23, 1877.

SHERMAN, *Washington:*

Market now very favorable for progress. Good demand for new 4½ per cent. bonds. Price of silver, fifty-four.

CONANT.

No. 91.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT,
May 23, 1877.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer, New York:

SIR: Your letter of the 22d instant is received. I note what you say in regard to the export of gold and the probable effect the participation of European powers in the war will have upon its further export.

I do not see how the government can adopt any measure to prevent to any considerable extent this movement in coin, and you do not suggest any. The recent advices showing an advance in the market value of our securities in European markets, and the very large exportation of breadstuffs that will be caused by a war, lead me to believe that the exportation of gold will hereafter be diminished rather than increased.

The ability of our own countrymen to absorb our bonds returning to us is shown by recent large purchases of them.

I will thank you to keep me frequently advised of payments of gold coin for shipment, and any suggestions you may make as a remedy I shall be glad to consider.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 92.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT,
May 25, 1877.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: You may give notice that you will sell one million dollars of gold coin on Thursday, May 31st, to reimburse the Treasury for United States notes to be retired and canceled by reason of the issue of additional circulation to national banks.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 93.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF THE UNITED STATES ASSISTANT TREASURER,
New York, May 26, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 25th inst., directing the sale of $1,000,000, on the 31st inst., and inclose herewith copy of the notice posted on our bulletin. It may be proper to add for your information that, under existing regulations, this is the only publicity we can give to the transaction. Formerly we were

required to publish such notices in the papers, but the practice was stopped by order of the department.

Is it your intention that payment shall be made in United States notes, or national currency, or either, at the option of the purchasers?

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

Inclosure to Assistant Treasurer's (New York) letter May 26, 1877.

NEW YORK, *May* 26, 1877.

By direction of the Secretary of the Treasury, I shall receive bids for the sale of one million dollars of gold coin on Thursday, May 31, 1877.

A certified check for five per cent. of bid must be deposited therewith. Bids will be opened at 12 o'clock noon on the day specified.

Printed forms for proposals, with the regulations to be observed, will be furnished at this office.

THOS. HILLHOUSE,
Assistant Treasurer United States.

No. 94.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 26, 1877.

DEAR SIR: We have the honor to acknowledge the receipt of your favor of the 23d inst., regarding the withdrawal of 100 millions 4½ per cent. bonds described in the second clause of our contract of August 24, 1876.

We have no doubt but that your proposition will be acceptable to the London associates, but as we transmitted your letter of the 14th containing this proposal, coupled with other modifications, with a view to a new contract for the 4 per cent. bonds, by mail of the 16th inst., which will reach the Messrs. Rothschild on Monday next, you will see the propriety of our delaying a definite answer till we have heard from them in reply.

We remain, dear sir, yours, very respectfully,

AUGUST BELMONT & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 95.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND,
May 26, 1877.

Mr. SECRETARY: The call made on Monday for the redemption of ten million dollars of the "consols of 1865" has had a good effect. We tried

on the Friday preceding the call to induce the contracting parties here to authorize it, but they, not then having information as to the exact condition of the market at home, insisted on deferring the call until after the "bank-holiday" Monday of this week.

The sale of the 4½ per cent. bonds during the present week, taking all things into consideration, has been very good, and the best feature about it is that some of the bonds were sold for the Berlin and Paris markets.

The war excitement has greatly subsided, people have become accustomed to its influences, and its effects upon the markets are but little felt at the present time, when compared, say, with two weeks ago. Nothing very extraordinary is likely to happen in French affairs at present; in fact, nothing can take place before the meeting of the assembly in June next. The French have had an unexampled era of prosperity, and they are more likely to build upon it for the future than they are to throw the fruits of it away in a war. Another fortunate circumstance is that the whole nation has been engaged in preparations for the grand international exhibition of next year, making it a matter of national pride, and it will have its influence in preventing a war.

I mention these matters because great stress is placed upon them here whenever we bring up the sale of our bonds and the placing of 4 per cents.

I look forward to a continued steady improvement in the market here, and see no reason why we may not in the course of the three next months, and perhaps less, close out the 4½ per cents. and commence placing the 4 per cents.

I have just received a telegram announcing the arrival of Mr. Burns and party with bonds at Liverpool. Anticipating their arrival to-day, I sent a party down to Liverpool last night to meet them. They will reach here this evening. They have come just at the right moment, as I delivered all the 4½ per cents on hand yesterday.

The contracting parties are discussing the question of placing our 4 per cents.

There has been a *decrease* in the *coin* and *bullion* in the "Bank of England" this week of £139,166, a *decrease* of the same in the "Imperial Bank of Germany" of £176,000, and an increase of the same in the "Bank of France" of £903,864. The proportion between bullion and circulation in this bank is 91½ per cent.

The price of silver is now fifty-four pence, and flat at that. It is thought here that the price will rule low for the next two or three months.

With great respect and kind regards, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 96.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 26, 1877.

CONANT, *London:*

Five-twenty called bonds only $8,000,000 more than 4½s taken. Forty-eighth call should be authorized May 28.

I desire this. Answer. SHERMAN.

No. 97.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, May 26, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 23d instant, in which you permit me to suggest any remedy that may occur to me for the export of gold.

In reporting the withdrawals of gold from this office for shipment, and the belief prevalent here to some extent that the demand for that purpose will increase later in the season, I did not mean to be understood as entertaining the opinion that there was any remedy for it. On the contrary, I agree with the Secretary that the government cannot prevent it. I do believe, however, that the tendency to a drain of gold is greatly increased by the presence of an inferior money, and that it will be greatly diminished when this inferior money shall have been retired from the circulation. At present gold is no longer our sole legal tender and standard of value. In all the vast range of individual transactions it has been practically demonetized by the issue of a money less valuable than gold and not redeemable, but made by law receivable in payment of all obligations, public and private, except interest on the national debt and duties on imports. Thus, to a large extent, driven out of use by a cheaper but equally effective medium of payment, there is nothing to check its export whenever it can be advantageously substituted for other commodities. Once restored to its proper place and function, the danger of being drained of it will be greatly lessened. The laws that govern its distribution will then operate here under the same conditions as elsewhere, and its export to an extent that threatened the stability of the monetary system would be met by higher rates of interest, diminished imports, and other expedients calculated to stop the outflow and restore the equilibrium. In short, we should stand with respect to gold and its retention on something like an equal footing with other nations, instead of as we now do at a disadvantage. The payments of gold for shipment from May 17 (the date of my previous report) up to and including to-day, May 26th, amount to $2,340,000.

Very respectfully,

THOMAS HILLHOUSE,
Assistant United States Treasurer.

Hon. JOHN SHERMAN, *Secretary.*

No. 98.

Messrs. Von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *May* 28, 1877.

SIR: We beg leave to refer to our respects of the 18th instant, and are since in active correspondence with our London friends, Messrs. R. Raphael & Sons, in relation to the United States 4 per cent. 30-year bonds, which you desire to negotiate for funding and resumption purposes.

It appears to us to be a well established fact that, considering the constantly increasing favor for the bonds of the United States, the 4 per cent. 30-year bonds could be placed under the management of an

association of active, energetic, and experienced bankers of high standing, united with leading national banks.

The 4½ per cent. bonds are quoted in London 102¾ ex coupon, London quotation; this leaves the syndicate a profit of about 1 per cent., and no doubt they are selling freely now, so that $200,000,000 of the 4½ per cents will soon be disposed of.

When withdrawn, the bonds should advance, and with judicious management it would not appear difficult to create a market for the 4 per cent. 30-year bonds.

We are occupying ourselves seriously with this matter, and trust that, associated with our friends, we shall be prepared to tender you our firm propositions shortly.

Hoping to have this pleasure soon again, we are, sir, your most obedient servants,

L. VON HOFFMANN & Co.

Hon. JOHN SHERMAN,
Secretary Treasury of the United States, Washington, D. C.

No. 99.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 28, 1877.

SHERMAN, *Washington:*
Party has arrived safely. CONANT.

No. 100.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 28, 1877.

SHERMAN, *Washington:*
Rothschilds have cabled Belmont that contracting parties authorize forty-eighth call, provided associates in America consent.

CONANT.

No. 101.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT,
May 28, 1877.

AUGUST BELMONT & Co., *New York:*
Rothschilds authorize call for ten million to-day. Please confirm.

JOHN SHERMAN, *Secretary.*

No. 102.

Forty-eighth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1877.
Department No. 49.
Secretary's Office.

TREASURY DEPARTMENT,
May 28, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "Five-twenty bonds," of the act of March 3, 1865, dated July 1, 1865, will be paid at the Treasury of the United States, in the City of Washington, on and after the 28th day of August, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$50—No. 3001 to No. 6000, both inclusive,	
$100—No. 4001 to No. 8000, both inclusive.	
$500—No. 5001 to No. 10000, both inclusive.	
$1,000—No. 11001 to No. 23000, both inclusive.	
Total coupon	$6,000,000

REGISTERED BONDS.

$100—No. 701 to No. 1900, both inclusive.	
$500—No. 701 to No. 19000, both inclusive.	
$1,000—No. 2801 to No. 7600, both inclusive.	
$5,000—No. 1101 to No. 2600, both inclusive.	
$10,000—No. 1182 to No. 2200, both inclusive.	
Total registered	4,000,000
Aggregate	10,000,000

The amount outstanding, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 103.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 29, 1877.

SHERMAN, *Washington:*

Combinations of safes have not been received. Please telegraph at once combinations, as contracting parties must have 4½ per cents. to-day.

CONANT.

No. 104.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 29, 1877.

SHERMAN, *Washington:*

Please repeat combination lock seven hundred eighty.

CONANT.

No. 105.

Messrs. Von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *May* 31, 1877.

SIR: We have the honor to confirm our respects of the 28th instant.

Our advices from London continue favorable for United States bonds. The 4½ per cent. bonds have advanced to 102.94 ex-coupon, London quotation, which confirms us in the belief that the syndicate will soon request you to issue another call, and will soon have disposed of two hundred millions of the 4½ per cent. bonds.

When this amount should have been reached, we understand that you intend to cancel the contract with the syndicate and to offer the 4 per cent. 30-year bonds.

By your favor of the 17th instant you were pleased to invite our attention to it and to express a desire that we should aid you in this important operation.

Until the contract with the present syndicate has been canceled. we have reasons to believe that you probably would prefer not to enter into negotiations for the new 4 per cent. 30-year bonds.

This is, however, only an assumption of ours, and we therefore take the liberty to inquire whether you would have the kindness to inform us as soon as you are prepared to receive our propositions for the operation in question.

We have written to our London friends very lengthily upon the subject. Our letters should be in their possession in a few days, and we could then telegraph more fully and intelligently, particularly if we were in receipt of your esteemed favor inviting our firm propositions.

The writer would also be pleased to call upon you any day and hour you wish to appoint.

Awaiting the favor of your reply, we are, sir,

Your most obedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,

Secretary of the United States Treasury, Washington, D. C.

No. 106.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *May* 31, 1877.

DEAR MR. SECRETARY: Your cipher cable which interpreted reads, "Five-twenty called bonds only $8,000,000 more than new 4½ per cent. bonds taken. Forty-eighth call should be made May 28th. It is desired

by me, &c.," did not reach me until long after the close of business Saturday evening, and as early as it was practicable on the following Monday I called upon the Messrs. Rothschild and made your wishes known to them, and strongly urged a compliance therewith. (I had, however, before receiving your dispatch, suggested to them that another call should be made this week.) A decision was reached late in the afternoon, and, as it was your wish to have the call made on that day, and as the time was too limited to admit of the contracting parties communicating with and receiving replies from their associates in New York, they cabled to New York giving their consent to a call, leaving it for their associates there to decide the question; hence, I had the honor to cable to you as follows: "Rothschilds have cabled Belmont; contracting parties authorize 48th call, ten million, provided associates in America consent."

I was very glad indeed to receive your note of the 14th instant, by the hand of Colonel Burns. In respect to the sale of the balance of the two hundred millions 4½ per cent. bonds, and to making the necessary calls before the close of June, I will say that I have no doubt but that your wishes in this regard will be fully carried out by the contracting parties. What remains to be done can be easily accomplished under ordinary circumstances.

Of the 47th call, maturing August 21, there remains to be sold, say	$7,000,000
Add the 48th call, maturing August 28	10,000,000
And three calls to be made during the month of June, the last maturing, say, September 30	30,000,000
Making the amount to be sold (to close out the balance), between now and September 30 (a period of four months)	47,000,000

or at the rate of (exclusive of Sundays and holidays) a little more than $456,000 per day.

The contracting parties since I have been here have not been as sanguine of success in *quickly* disposing of the balance of the 4½ per cent. bonds as I have been. They have kept constantly in view (and I suppose very prudently) the difficulties which might possibly arise from war complications; and that, of course, is the reason why they have been so reluctant to make calls. The present status of affairs is very reassuring, although some uneasiness is felt respecting the political situation in France.

I have made the parties here thoroughly acquainted with your plans, as you have given them to me to explain, and concerning which they receive very crude and confusing ideas from New York.

It is thought that the gold on its way from America will be sent to the continent. The tendency of the price of silver is still downwards.

In my next I hope to communicate something concerning the placing of the four per cent. bonds.

I have the honor to be, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 107.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, May 31, 1877.

DEAR MR. CONANT: Your letter of the 19th is received. Since its date matters here have changed greatly for the better, and I have made two calls for ten millions each.

There is a strong, steady demand for our bonds, and I have now no fear but the two hundred millions 4½s will be exhausted before the first of July, when they will be withdrawn. The prospect of placing the four per cent. bonds, commencing July 1, is very good. I have submitted to the syndicate a proposition in substance requiring them to take twenty-five millions four per cents during July and August, of which five millions will be for resumption purposes, with a stipulation that if they take fifty millions additional in September and October the contract will be extended to January 1, 1878, five millions a month to be applied for resumption purposes. I do not purpose to vary essentially from this proposition. I have another offer almost as good from other parties, but I hope to combine these two offers into a modified syndicate, and if possible reserve the right to sell bonds at par, in coin or 5-20 bonds, to persons who apply directly to me for exchange, giving, however, the syndicate the half per cent. commission. We will considerably reduce the cost of the bonds, I think to one-tenth of one per cent., so that the contracting parties will have a reasonably fair commission. I am already assured of many sales of the bonds, whenever offered, without the aid of the syndicate, so that I consider myself strong enough to undertake the placing the bonds even without their aid, if they will not agree to reasonable terms. If I can secure the active, hearty co-operation of all the parties who wish to engage in selling the bonds, and they will be content with a reasonable profit, the operation of funding can go on so rapidly that they ought to be satisfied with the profit they will make.

I have not overlooked the possibility that some movement of coin will be made to meet called bonds in Europe in excess of bonds sold there, but hope to perfect arrangements by which I will secure American bullion to meet this demand without stopping accumulations of coin in the Treasury.

The prospects here are favorable for a good crop in all the States of the Mississippi Valley, but there will probably be a bad crop in California.

What we must do is push the loan so that it will be an established success before the meeting of Congress. If you can succeed in inspiring the Rothschilds to aid this purpose, I am sure of success. My proposition has been sent to them, and I was advised would be answered by telegram about this time; but by the 15th I hope to have the arrangements completed.

If upon receipt of this letter there is anything of striking interest affecting the loan, you may cable me.

All well in the department. Matters are going along quietly and steadily.

Very truly yours,

JOHN SHERMAN.

Hon. CHAS. F. CONANT,
London.

No. 108.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 1, 1877.

SHERMAN, *Washington:*

What amount is there outstanding of 5-20 called bonds and 5-20 bonds, consols of 1865, called, not redeemed? Ship June 9 4½ per cent. coupon bonds 2,000 500s and 12,000 1,000s. CONANT.

No. 109.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 1, 1877.

CONANT, *London:*

Five-twenty called bonds outstanding, $53,500,000. Five-twenty bonds, act of March 3, 1865, consols of 1865, called and not redeemed, $20,000,000. SHERMAN.

No. 110.

Mr. Sherman to Messrs. von Hoffmann & Co.

TREASURY DEPARTMENT, *June* 1, 1877.

Messrs. L. VON HOFFMANN & CO., *New York:*

GENTLEMEN: Your letter of the 31st ultimo is received. I am prepared at any time to receive your propositions, but do not think that, under the circumstances, I ought to write more upon the subject than I have already written.

The present contract expires, in terms, by the 1st of July, but I will feel at liberty to receive suggestions or propositions before that time, in the hope that the operation of funding may not be delayed under a new contract.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 111.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *June* 2, 1877.

SIR: We have the honor to acknowledge receipt of your letter of yesterday, and note that you feel at liberty to receive suggestions or propositions for the purpose of continuing the operations of funding.

It is naturally difficult for us to make you firm propositions, without being acquainted with the nature of the business which you desire to undertake after the contract with the present syndicate has expired.

Assuming, however, that your desire should be to withdraw the 4½ per cent. bonds and to offer in their stead the 4 per cent. 30-year bonds for funding, and also for resumption purposes, we again beg leave to assure you, that we are prepared to join a combination of bankers, which undoubtedly will be formed for the purpose.

Assuming again, that such a combination would offer to purchase of the 4 per cent. 30-year bonds say, for instance, $25,000,000 (twenty-five millions) firm, with option for the balance of the bonds, say for *one* year, we on the part of our associates and ourselves, would be prepared to subscribe for an additional amount of either *five* or *ten* millions firm, provided, of course, that the interest in the syndicate, we to receive, to be in proportion with the amount we take of the amount subscribed firm.

The details as to the price of the bonds, &c., to be on substantially the same terms as the now existing contract with the syndicate.

We take the liberty to submit our aforesaid proposition unto your kind consideration, and should be pleased if you would kindly grant us the honor to be admitted in the next funding operation.

You may be convinced that all the duties which the transaction carries, will be faithfully and cheerfully performed by us.

Awaiting the favor of your reply, we are, sir, your obedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,
Secretary, Washington, D. C.

No. 112.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *June* 2, 1877.

Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Washington, D. C.:

SIR: In view of numerous and extensive transactions with the Treasury Department since the year 1850, we believe that our firm is well enough known, still as it happens that your associate in the Cabinet, the Hon. W. M. Evarts, has been our legal adviser since our firm is established, we take the liberty to refer you to him as to the general standing and character we enjoy amongst the business community.

Please excuse the request we are asking, and believe us, sir,

Your obedient servants,

L. VON HOFFMANN & CO.

No. 113.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 2, 1877.

DEAR MR. SECRETARY: Yesterday I had the honor to send a cable message to you as follows:

"What amount is there outstanding of 5-20 called bonds, and consols of 1865, called and not redeemed in America, &c?"

I sent the dispatch at the request of the Messrs. Rothschild, who required the information to enable the contracting parties to mature their plans for the future. They wish to get possession of the called bonds that are here and on the continent. The money market has been constantly improving, owing partly to a return of gold to the bank and to merchants, particularly to foreign merchants (a class who are promoters of industries in Australia, New Zealand, India, &c.), and to the collapse of the excitement produced by the war and the influence it has had upon trade and the markets. Everything now seems to be working to our advantage in connection with funding operations. Our bonds have advanced from $\frac{1}{2}$ to $\frac{3}{4}$ per cent. during the past week, and to-day are worth $103\frac{1}{8}$, equal to $\$106.87\frac{1}{2}$, currency, in New York.

In my last letter I said that I thought that there was no doubt but that calls would be made to cover the balance of the 4½ per cent. bonds before June 30, in accordance with your wishes. I am at the present moment very much encouraged to hope that a decision to do this will be reached on Monday, or at any rate during next week. I had some hopes of its being done yesterday. The matter of disposing of the 4 per cents. is receiving the attention of the contracting parties, and I hope they will make their proposition next week. The placing of them on the market here at first, I think, will have to be done by subscription, as was the case with the 4½ per cent. bonds. Such a plan would be a good test. I do not believe that any government except ours (and that of Great Britain) could place a loan here at par at 4 per cent. interest during the next four months.

Strange as it may seem, it is true that the Dutch are the most venturesome in purchasing securities.

They buy those which are the cheapest.

I have mentioned once or twice that I should send Mr. Gifford home in charge of securities, but as we have a large amount on hand, nearly $17,000,000, and as the bonds issued against them could not go into the debt statement for the present month, I have thought it advisable, as a matter of safety, to detain them until the party under Colonel Burns returns, the 16th instant, by which time we shall probably have twenty million to send. Mr. Gifford will return with the party.

The Bank of England return for the quarter ending May 30 showsa circulation of £27,955,420, a decrease of £109,635; *coin* and *bullion* amounting to £25,009,187, an increase of £154,690; deposits, £28,665,305, an increase of £81,939; the securities in the banking department at £34,447,632, a decrease of £264,667; a *reserve* of £12,053,767, an increase of £264,325. The comparisons are made with the returns of the preceding week. Of the *coin* and bullion *balance* about £4,500,000 belongs to the government, which seems quite a small balance compared with that we usually have, and especially when we consider that England has much larger revenues and expenditures than we have. In the amount which is set down as a *reserve* of £12,053,767 is included an old debt of upwards of £9,000,000, which the government owed the bank at the time it was chartered, and which it carries without interest as an equivalent for its charter and privileges.

This leads me to speak of the debt of Great Britain, the amount of which I have been trying to ascertain. There are different methods of stating it. What is termed the *public debt*, as I understand it, is only the *funded debt;* and while there may be a decrease in that, there may be more than a corresponding increase in one of the other items; and yet by the method of statement, the debt is apparently reduced, when, as a matter of fact, the government obligations are increased. This is my theory. I am anxious to know about it, and shall try to find out the facts.

The Bank of France had in *coin*, May 31, £90,639,000, a gain of £763,000 over the preceding week. The note circulation increased £2,322,000, the outstanding amount being £102,038,000.

The Imperial Bank of Germany had, May 23, £27,858,000 in coin, an increase of £306,000; and notes in circulation amounting to £34,670,000, a decrease of over £1,000,000.

I do not for a moment lose sight of your wishes respecting the loan, or neglect any opportunity for presenting and pressing the matter upon our friends here.

I hope to be permitted to cable a call on Monday for a part if not the full amount of thirty millions.

I expect to write more fully on Tuesday or Wednesday about the four per cents.

I have the honor to be, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

P. S. The "press" here comment very favorably upon your plans for specie resumption so far as they are known.

No. 114.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 4, 1877.

SHERMAN, *Washington:*

Rothschilds desire me to ask you if five million new 4½ per cent. bonds sold on account of bonds authorized by act of January 14, 1875, for resumption of specie payments, are included in 200 millions to be issued. CONANT.

No. 115.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 4, 1877.

CONANT, *London:*

Yes; only $25,000,000 4½ per cents remain. SHERMAN.

No. 116.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 6, 1877.

SHERMAN, *Washington:*

Contracting parties consulting in regard to 4 per cent. loan. Have you any instructions to give me? CONANT.

No. 117.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 6, 1877.

CONANT, *London:*

Let contracting parties consult and cable among themselves. Do not commit the Treasury Department. Instructions in full sent you May 31 by mail. SHERMAN.

No. 118.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *June* 6, 1877.

SIR: We have the honor to crave reference to our respects of the 2d instant, which we beg to confirm, trusting that it reached you in due course of mail.

By the present we take the liberty to offer you a new suggestion for the purpose of continuing the funding of the United States 6 per cent. bonds into the new 4 per cent. thirty-year bonds.

Instead of selling part of the 4 per cent. bonds firm, with an option for the remaining balance, thus leaving all the profits arising out of the operation to the syndicate, we would propose to form a strong combination consisting of some of our most influential national banks, our London, Frankfort, and Paris houses, also Amsterdam bankers and ourselves, for the purpose of effecting the exchange here and in Europe, for a commission.

We have no doubt that in this manner a large amount of the 4 per cent. bonds could be exchanged, and we should feel obliged if you would take the matter into consideration.

Awaiting the honor of your reply,

We are, sir, your most obedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Washington, D. C.

No. 119.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 7, 1877.

DEAR MR. SECRETARY: Your cable dispatch of yesterday, as follows: "Let contracting parties consult and cable among themselves. Do not commit Treasury Department. Instructions in full were sent you May 31, by mail," in reply to mine of same day that "Contracting parties are consulting in regard to four per cent. loan. Have you any instructions to give me?" was received this morning. The instructions will reach here on Monday next. I have been extremely cautious not to do or say anything which would commit the department.

The contracting parties are delayed in making their propositions for

the four per cent. bonds in consequence of their not being able to agree on the amount which they will subscribe for *firm*.

The Messrs. Rothschild are of the opinion that it is not for the interest of the government or the syndicate to have the latter make a firm subscription of, say, twenty or twenty-five million, or in fact of any amount.

They say that if a firm subscription is made everybody will then have the information that the syndicate has taken so much in bonds which it must dispose of within a certain limited time, and that such knowledge might be used by brokers and others so as to embarrass it seriously at such a time as the present in its operations; that it is of no advantage to the government to have a part only, and a small part at that, of a great loan which it wishes to negotiate subscribed for *firm;* and further, that if the contracting parties cannot sell the bonds, with the advantages which they have of manipulating markets and exchanges, that certainly the government cannot dispose of them.

The plan they would like to adopt, instead of making a firm subscription, would be to open subscription books here and in New York, to be kept open for four or five days, and then make the first call and first subscription for the amount so sold. They sold last fall twenty millions four and one-half per cent. bonds here and the same amount in New York, by subscription. I refer to this simply to give to you the ideas which these people have and express to me. The real truth is that in the doubt which exists in the minds of these gentlemen as to the political difficulties and complications which may possibly grow out of the war, they wish to take as little risk as possible.

Before this letter reaches you I think you will have received a proposal.

The 4½ per cent. bonds have advanced in price and are selling well. I think they will make two calls for the 25,000,000 balance, one of them to-morrow.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 120.

Mr. Sherman to Mrs. Abbott.

TREASURY DEPARTMENT,
June 8, 1877.

SARAH F. ABBOTT,
471 *Madison Avenue, Elizabeth, N. J.:*

MADAM: In answer to your letter of the 5th instant, relative to the exchange of $12,000 in coupon bonds of act March 3, 1865, for 4½ per cent. bonds of the funded loan of 1891, I have to inform you that a contract for the negotiation of the 4½ per cent. bonds has been made with Messrs. N. M. Rothschild & Sons, and associates, of London, England, who are represented in this country by Messrs. August Belmont & Co., J. & W. Seligman & Co., Morton, Bliss & Co., Drexel, Morgan & Co., and the First National Bank, all of the city of New York, to whom I would respectfully refer you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 121.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 9, 1877.

DEAR MR. SECRETARY: I had the honor on yesterday to send a cable to you to the effect that the Messrs. Rothschild had cabled Belmont & Co. in regard to the 49th call. I have been urging them for more than a week to make the call; but upon being informed that you had invited the contracting parties at home to meet you to-day for consultation respecting the negotiation of the 4 per cent. bonds, the parties here said that the matter of the call might as well be left for consideration on that occasion.

I imagine that the only point of difference in making a new contract will be in the amount to be taken firm. I think they will take twenty or twenty-five millions if you desire it. The placing of two hundred million of four and one-half bonds within one year was not expected at the time the contract was made. These bonds are held in large blocks here, and very largely by bankers, and will, in all probability, if there should be a demand for money, be redistributed; and the parties think that if they should come upon the market in that way that they might interfere with the 4 per cent. bonds. The Messrs. Rothschild talk more encouragingly about the 4 per cent. bonds than they did when I first arrived here; but they are not as sanguine of success as the other members here are, which I think is owing to the rather gloomy view they take of political affairs and the war.

The sale of fifty million of the 4 per cent. bonds will make the market for them; and when that is accomplished I think the balance will go off just as well as a 4½ per cent. loan would.

The markets are almost daily growing better for refunding operations. It is now thought here that shipments of gold from New York will stop.

It is stated that the amount of *gold* now on the way here from Australia is upwards of $6,500,000.

General Hillhouse, assistant treasurer at New York, can obtain for you, if you should desire to have it, as he has done for me several times, a comparative statement by months of the export and import of gold at the port of New York.

The Indian Government has advertised for offers for a four per cent. loan of about $10,500,000, which it is likely will be taken by banks here. I have been privately informed that Germany may put a loan upon the market for railway purposes in Prussia.

I inclose a newspaper clipping containing an article on the "Resumption of Specie Payment by France," which you may have seen; but if not, I think you will find it worth reading. The annual interest charge on the funded debt of France is about one hundred and forty-five million five hundred and seventy thousand dollars. Nearly one-half of this debt bears interest at the rate of five per cent.

The floating and unfunded debt is quite large. I send herewith copy of a report made to Parliament by the select committee on the depreciation of silver.

There has been an increase in bullion in the Bank of England during the last week of £215,814; and in circulation, £79,765. The Imperial Bank of France has gained £486,000 in bullion during the week; while the Imperial Bank of Germany has lost £250,000 in bullion.

The newspapers have recently had a great deal to say about American credit, referring to corporate securities. A great amount of money has been lost here through visionary enterprises in America, these pa-

pers say. The State of Virginia owes an old debt here. All this, however, does not affect our NATIONAL credit.

I have the honor to be, with great respect, your obedient servant,

CHAS F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington. D. C.

No. 122.

CONTRACT OF JUNE 9, 1877.

This agreement entered into this ninth day of June, 1877, between the Secretary of the Treasury of the United States of the first part, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates, and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., of London, and themselves; Messrs. J. & W. Seligman & Co., of New York, on behalf of Messrs. Seligman Brothers, of London, and themselves; Messrs. Morton, Bliss & Co., of New York, on behalf of Messrs. Morton, Rose & Co., of London, and themselves; and the First National Bank of the city of New York—

Witnesseth: That the said Messrs. August Belmont & Co., on behalf of Messrs. N. M. Rothschild & Sons, and associates, and themselves, hereby agree to purchase from the Secretary of the Treasury $10,312,500 of the bonds known as the four per centum consols of the United States, issued under the acts of July 14, 1870, January 20, 1871, and January 14, 1875, and that Messrs. Drexel, Morgan & Co. on behalf of Messrs. J. S. Morgan & Co., and themselves, agree to purchase $4,062,500 of said bonds, and that Messrs. J. & W. Seligman & Co. on behalf of Messrs. Seligman Brothers and themselves, agree to purchase $4,062,500 of said bonds, and that Messrs. Morton, Bliss & Co. on behalf of Messrs. Morton, Rose & Co. and themselves, agree to purchase $4,062,500 of said bonds, and that the First National Bank of the city of New York agree to purchase $2,500,000 of said bonds, making a total aggregate of twenty-five million dollars of said bonds, on the terms and conditions following:

First. Of the said aggregate amount not more than five million dollars shall be sold for resumption purposes, the remaining twenty million dollars to be sold for funding purposes, and subscribed for by the parties of the second part during the months of July and August, 1877.

Second. The parties of the second part shall have the exclusive right to subscribe in the same proportion to each of the subscribers for the remainder of the four per cent. consols of the United States or any portion of said consols authorized to be issued by the acts of Congress aforesaid, by giving notice thereof to the Secretary of the Treasury on or before the 30th day of June, 1878; but the party of the first part reserves the right to terminate this contract at any time after the 31st day of December, 1877 by giving ten days' notice thereof to the parties of the second part.

Third. That the Secretary of the Treasury shall not sell for resumption purposes exceeding five millions per month during the continuance of this contract except by mutual agreement of the parties hereto. When subscriptions are made for other than resumption purposes by the parties of the second part, the party of the first part shall issue calls of even date with said subscriptions for the redemption of an equal amount of six per centum five-twenty bonds of the United States, as provided for in said act of July 14, 1870.

Fourth. The parties of the second part agree to pay for said four per centum bonds par and interest accrued to the date of application for delivery of said bonds in gold coin, matured United States gold coin coupons, or any of the six per centum five-twenty bonds called for redemption, or in United States gold certificates of deposit issued under the act of March 3, 1863, with the understanding that payment to the extent of the amount of any call shall be made within the time during which such call shall mature: *Provided*, That if the parties of the second part shall elect so to do, they may have the privilege of making any of said subscriptions payable specifically in uncalled six per cent. five-twenty bonds of the United States, in which case the Secretary of the Treasury may to the extent of such payments omit the calls mentioned in condition No. 3.

Fifth. The parties of the second part shall receive in coin a commission of one half of one per centum on all bonds taken by them as allowed by the act of July 14, 1870, and shall assume and defray all expenses which may be incurred in sending bonds to London or elsewhere upon their request, or by transmitting bonds, coupons, or coin to the Treasury Department at Washington, including all cost of making the exchange of bonds, and shall also be charged with the cost of the preparation and issuing of the bonds.

Sixth. No bonds shall be delivered to the parties of the second part or either of them until payment shall have been made in full therefor in accordance with the terms of this contract.

Seventh. During the continuance of this contract any sales of bonds ordered by the Secretary of the Treasury by authority of law shall be made through the parties of the second part, who shall be allowed thereon a commission similar in amount and subject to the same deductions as prescribed in the fifth clause of this contract.

Eighth. It is also agreed that the parties of the second part shall offer to the people of the United States at par and accrued interest in coin the 4 per cent. registered consols and 4 per cent. coupon consols of the denominations of $50 and $100 embraced in this contract for a period of 30 days from the public notice of such subscriptions and in such cities and upon such notice as the Secretary of the Treasury may prescribe prior to the opening of the lists, and, further, to offer to the subscribers the option of paying in installments extending through three months.

JOHN SHERMAN,
Secretary of the Treasury.

AUGUST BELMONT & CO.,
On behalf of N. M. ROTHSCHILD & SONS, *of London, and associates and themselves.*

DREXEL, MORGAN & CO.,
On behalf of J. S. MORGAN & CO. *of London, and themselves.*

J. & W. SELIGMAN & CO.,
On behalf of SELIGMAN BROTHERS *and themselves.*

MORTON, BLISS & CO.,
On behalf of MORTON, ROSE & CO., *of London, and themselves.*

THE FIRST NATIONAL BANK
OF THE CITY OF NEW YORK,
By H. C. FAHNESTOCK.

Witnesses as to all:
R. C. MCCORMICK.
E. J. BABCOCK.

No. 123.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 9, 1877.

CONANT, *London:*

Contract of August 24, 1876, closed new 4½ per cent. bonds at $200,000,000. New contract twenty-five millions 4 per cent. bonds taken firm. Particulars by mail. SHERMAN.

No. 124.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 9, 1877.

SHERMAN, *Washington:*

Rothschilds desire me to ask you in regard to 49th call. Market strong. Price of silver 54. CONANT.

No. 125.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 11, 1877.

SHERMAN, *Washington:*

Congratulations. Rothschilds request me to say that it is important for this market that the public subscriptions in America for four per cents should be a success, and this will make the market for London. N. M. Rothschild & Sons hope Secretary of the Treasury will advise that banks subscribe immediately. J. S. Morgan & Co., N. M. Rothschild & Sons, think subscriptions should be opened soon, in view of preparing London market. Did you ship 4½ per cent. bonds Saturday?

CONANT.

No. 126.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 11, 1877.

CONANT, *London:*

Saxton with thirteen millions 4½ per cent. coupon bonds sailed June 9, by City of Chester.

Last numbers of 49th call • • • • • • • • • • . SHERMAN.

No. 126½.

Assistant Secretary French to Mr. Sherman.

TREASURY DEPARTMENT,
Washington, D. C., June 11, 1877.

PAYMENT OF UNITED STATES BONDS.

1. The act of July 14, 1870, provides for the issue of United States bonds "*redeemable in coin of the present standard value.*"

2. The then legal coin was gold and silver, the standard value being 23.22 grains of pure gold to the dollar, and 371¼ grains of pure silver to the dollar.

3. While the law remained unchanged the contract was legally performed by payment in such standard coin of gold or silver.

4. The act of April 1, 1873, declared silver not to be a tender for such bonds.

5. That act was an element in all sales of bonds after that date by the government or by individuals, the buyer having the promise of the United States to pay in coin, *i. e.*, coin recognized as legal, *i. e.*, gold coin.

6. Any act which shall declare silver coin a tender for such bonds is an attempt to insert an element not in the contract, an element expressly excluded by the promisor by the act of 1873.

7. And as it cannot be known what bonds have been transferred since the act of 1873, all bonds under the act of 1870 must be paid in gold coin of the standard value named therein—23.22 grains of pure gold to the dollar.

Respectfully submitted.

H. F. FRENCH, *Assistant Secretary.*

To the SECRETARY.

No. 127.

Forty-ninth call.—Redemption of 5-20 bonds of 1865—*Consols of* 1865.

1877.
Department No. 75.
Secretary's Office.

TREASURY DEPARTMENT,
June 11, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 11th day of September, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 6001 to No. 11000, both inclusive.	
$100—No. 8001 to No. 18000, both inclusive.	
$500—No. 10001 to No. 18000, both inclusive.	
$1,000—No. 23001 to No. 41000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS.

"*Redeemable at the pleasure of the United States after the 1st day of July, 1870,*" *as follows:*

$50—No. 101 to No. 500, both inclusive.	
$100—No. 1901 to No. 4900, both inclusive.	
$500—No. 1901 to No. 4350, both inclusive.	
$1,000—No. 7601 to No. 13600, both inclusive.	
$5,000—No. 2601 to No. 4350, both inclusive.	
$10,000—No. 2201 to No. 3700, both inclusive.	
Total registered	$5,000,000
Aggregate	15,000,000

The amount outstanding, included in the numbers above, is fifteen million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 128.

Merchants' National Bank of Cleveland, Ohio, to Mr. Sherman.

MERCHANTS' NATIONAL BANK,
Cleveland, Ohio, June 11, 1877.

Hon. JOHN SHERMAN,
Secretary Treasury United States:

DEAR SIR: We learn that you propose to offer to the public a certain portion of the new four per cent. loan for a limited time, the amount subscribed to be paid in gold at the par value of the bonds.

This bank, being a public depositary of the Government of the United States, shall be glad to further your plans, and act as agents for the sale of such portion of the loan as you may suggest, and endeavor to give it such publicity as would secure the sale of a portion of these bonds in this part of Ohio.

Wishing you success in the effort, I remain, very respectfully and truly,

T. P. HANDY, *President.*

No. 129.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 11, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: The following copy of a cable received by me to-day from Mr. Conant is sent for your information: "Rothschilds request me to say that it is important for this market that the public subscriptions in America for 4 per cent. should be a success, and that this will make the market for London.

"N. M. Rothschilds & Sons hope Secretary of Treasury will advise that banks subscribe immediately.

"J. S. Morgan & Co. and N. M. Rothschild & Sons think subscriptions should be opened soon, in view of preparing London market."

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 130.

Mr. Sherman to Messrs. von Hoffmann & Co.

TREASURY DEPARTMENT, *June* 11, 1877.

MESSRS. L. VON HOFFMAN & CO., *New York:*

GENTLEMEN: I have to inform you, in consequence of our previous correspondence as to placing the 4 per cent. bonds, that as most of the associates in the 4½ per cents have concurred in making to the government a proposition to negotiate the 4 per cent. bonds containing the conditions and provisions that I stated to you would be required by the government, it has been accepted, with an additional provision that for thirty days the loan shall be kept open to the public to subscribe at par in coin, allowing ninety days in which to pay. I confess that I would greatly have preferred that this association had included the names of yourselves and your associates in London and other prominent banks and bankers, but this was found to be impracticable. I trust, however, that the arrangement as made will secure in the placing of the loan your sympathy and co-operation.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 131.

Mr. Sherman to Mr. Hunt.

TREASURY DEPARTMENT,
June 12, 1877.

JOHN P. HUNT, Esq., *Philadelphia, Pa.:*

SIR: Your note is received. The department will be happy to receive your subscription in a short time. The bonds are not prepared, and the Treasury regulations for the popular subscription cannot be issued for a few days, when a copy will be sent you.

It is the purpose to give you and all other citizens of the United States an opportunity to subscribe at some convenient place in the city of your residence, to be designated in due time, requiring only a small deposit at the time of subscription, and allowing the privilege of paying at any time within ninety days thereafter.

The bonds will bear date the 1st of July, and will be sold at par in coin and accruing interest to date of payment.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 132.

Messrs. Seligman & Co. to Mr. Sherman.

NEW YORK, *June* 12, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR MR. SECRETARY: We beg to inclose a short editorial article which appeared in to-day's New York Times, which, coming from a Republican paper, may frighten investors in our country and abroad. Intelligent people know that you, sir, as well as President Hayes, are sound on the silver question, and yet it may appear to you proper and highly advantageous to the prompt marketing of the 4 per cent. bonds to disabuse those who have been led to believe that the President and you favor the remonetizing of silver, with a view of paying our national debt in a metal so fluctuating as silver has become since the principal nations of Europe have demonetized it.

We remain, dear Mr. Secretary, your obedient servants,

J. & W. SELIGMAN & CO.

[New York Times, June 12, 1877.]

In a dispatch received by the Secretary of the Treasury yesterday from Mr. Conant, the syndicate agent in London, it was stated that the contract touching the four per cent. bonds is well received in London, and the new bond bids fair to be the most popular of American securities. There is no doubt that the bond has many advantages both for home and foreign investors. It has only one point of weakness, and that is, that if the silver ring should succeed in getting an unlimited issue of legal-tender silver dollars, this bond would be payable, principal and interest, in that coin. Shrewd men, who know what silver has done and is liable to do in the way of ups and downs, will take this fact into consideration, and the government will ultimately be compelled to do the same. At present the strength of the silver movement is estimated to be small, but if this estimate should prove to be mistaken, the new four per cents would suffer.

No. 133.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 12, 1877.

MESSRS. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Inclosed I send you copy of a letter addressed to me by Mr. John P. Hunt, of Philadelphia, and I have received other letters which make it important that the mode of conducting the popular loan, the deposit to be required of subscribers, the places at which the loan shall be opened, the description of the bonds, and such other information as it may be necessary to give to persons inquiring at this department about the loan, should be promptly furnished in a circular to be prepared either by you or here. I have directed Mr. Baker to send you any papers that will aid you in preparing a draft of this circular, and invite from you and your associates any suggestions at as early a day as practicable. I am very much in hopes that the popular subscription may prove more advantageous to both parties to the contract than we anticipated.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 134.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 13, 1877.

CONANT, *London:*

Deliver to Rothschilds $200,000 4½ per cent. bonds, paid for here.

SHERMAN.

No. 135.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *June* 13, 1877.

SIR: We have the honor to acknowledge receipt of your esteemed letter of the 11th instant, and regret to learn that it was found impracticable to include our firm, and also our friends in Europe, in the association formed for the purpose of placing the 4 per cent. thirty year bonds.

We request you will be pleased to accept our sincere thanks for the kind assistance you were good enough to render for the interest of our associates and ourselves, and we have the honor to sign,

Sir, your most obedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Washington, D. C.

No. 136.

Mr. Sherman to Merchants' National Bank, Cleveland.

TREASURY DEPARTMENT, *June* 14, 1877.

PRESIDENT MERCHANTS' NATIONAL BANK, *Cleveland, Ohio:*

DEAR SIR: Your letter of the 11th instant is received.

With great difficulty I reserved to the people the free right to subscribe for the 4 per cent. bonds for thirty days, giving them credit for ninety days, and I am very solicitous that everybody who desires to buy these bonds should buy them direct. To-day the syndicate issue a circular, approved by me, giving from the 16th of June to the 16th of July to subscribe for these bonds, the subscriptions to be taken through any bank or banker, and the bonds to be delivered at any public depositary designated in the subscription.

I hope you and the Cleveland banks will take hold of this earnestly and actively.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 137.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *June* 14, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington D. C.:

DEAR SIR: We have the honor to acknowledge receipt of your favor of the 12th instant, with reference to opening the subscriptions for the 4 per cent. bonds, and in reply beg to say that we have sent Mr. French, of the First National Bank, to Washington on behalf of the syndicate, in order to facilitate the completion of the preliminary arrangements, and we trust that they will be perfected soon, as we are, equally with yourself, anxious to open the subscriptions at the earliest possible day. The matter is momentarily delayed by your desire, as communicated to us by Mr. French, to extend the time for public subscriptions to the 31st of July, to which we have already replied to him, that to our great regret it is impossible for us to consent, as it would materially interfere with the arrangements we have made here, and especially with the programme of our London associates.

We see with pleasure that you anticipate a favorable result from the popular subscriptions, and we trust that your anticipations may be fully realized. We fear, however, that the discussion of the silver question will seriously affect the progress towards resumption and the success of your financial measures generally, if it is allowed to go on, and we would respectfully suggest that in our opinion it would be of vital importance for you to publicly indorse over your own signature the views given in the papers this morning as expressed by Assistant Secretary French.

We note Mr. Hunt's application for $250,000 4 per cent. bonds, for which he will have the opportunity to subscribe as soon as the arrangements are made, but he will have to take registered bonds, or coupon bonds of $50, and $100, as provided for in the contract.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

No. 137½.

Mr. Belmont to Mr. Sherman.

NEW YORK, *June* 14, 1877.

MY DEAR SIR: Permit me if I add a few words to the letter of my house of this day, in order to urge upon you the *vital* importance of an official expression of yours *over your own signature* in the sense of the letter of Assistant Secretary French, published in this morning's papers.

The misrepresentation of your views and those of the President by leading organs of the administration party, of which you so justly complain in your letter to Messrs. Seligman, makes it, in my opinion, absolutely necessary that you should, in most unequivocal terms, express your determination to pay the bonded debt of the United States in gold coin.

You are placed at this moment, by a large portion of your political friends, in a somewhat similar position as the late Mr. Chase was by

the attempt of Thad. Stevens to have Congress pass a law to declare the principal of the 5-20 bonds payable in currency.

Mr. Chase took the bull by the horns by declaring over his own signature that the principal as well as the interest of the 5-20 bonds were payable in gold, the faith of the United States being pledged to this by the tacit understanding of the government and its creditors.

Nothing has reflected more credit and renown upon that great statesman—then as prominent and favored a son of the noble State of Ohio as you are to-day—and nothing more effectually paved the way to the great work of reducing the burden of our people by lowering our interest one-third than that expression, sanctioned and confirmed by subsequent enactment of Congress in 1869.

The danger for our public credit and fair name among the nations of the earth is greater now than it was then. When people here and in Europe bought our bonds during the war at a large discount for our six per cents, there was a plausible excuse for dishonest demagogues to advocate the payment of these bonds in a depreciated currency; but now that the savings of the rich and poor, the widow and the orphan, are confided to the safe-keeping and custody of the United States at the low rate of 4 per cent. (one-half of what good and safe mortgages and municipal bonds yielded a few years ago), it would be the most disgraceful breach of public faith if these bonds or their interest were to be paid in anything but *gold*.

The man who by his position officially and politically is so high placed as to grapple single handed with that monstrous heresy, has a great and enviable task before him, and nobody is better fitted for it than yourself.

You know my political convictions and antecedents—they are as strong and I cling to them as faithfully as ever—but you have treated me so kindly and have shown so much candor and straightforwardness in your official dealings in our negotiations that I venture to express to you thus openly my convictions and wishes, which are most sincerely for the unqualified and complete success of your great financial measures of resumption and funding of our public debt.

The *silver* heresy is a worse heresy, more directly dishonest in defrauding the public creditor, than the inflation heresy.

The latter only proposes to put off the day of payment, while the first actually proposes to pay at a discount of *fourteen per cent.* what the government is now borrowing (at four per cent.) *at par*.

All the elections upon this question of *honesty* and *dishonesty* (the difference merits no other name), ever since Pendleton's disastrous Greenback platform in 1868, have proved that the majority of our people, in spite of the false teachings of unscrupulous demagogues on both sides of the House, are determined to preserve the public faith untarnished.

You will, in my opinion, insure the success of your financial measures, and add greatly to your high and prominent political position, if you will unequivocally declare that the funded debt of the government can only be redeemed, principal and interest, in gold coin, and that until otherwise agreed upon by the mutual consent of the great commercial nations of the United States, England, France, and Germany, the silver dollar can only be accepted as an auxiliary standard for the payment of fractional indebtedness.

I hope we shall receive your approval of the prospectus by to-morrow, so that we may open the subscriptions by Saturday.

Nothing will be left undone by the members of the syndicate in order to make it a success, but in order to do so it is absolutely necessary to

avoid delay and to close the lists at par within the specified time; otherwise the sales in Europe, which are indispensable for resumption and accumulation of gold, will be rendered very difficult.

Yours, very truly, AUGUST BELMONT.

Hon. JOHN SHERMAN, *&c., &c.*

No. 138.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 14, 1877.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: The notice to the public of the four per cent. loan, a copy of which is herewith, is approved by me.

Very respectfully,

JOHN SHERMAN, *Secretary.*

[Inclosure with letter of Secretary to Belmont & Co., of June 14, 1877.]

Under authority of a contract with the Secretary of the Treasury, the undersigned hereby give notice that, from this date, and until July 16, at 3 p. m., they will receive subscriptions for the four per cent. funded loan of the United States in denominations as stated below, at par and accrued interest in gold coin.

The bonds are redeemable after thirty years from July 1, 1877, and carry interest from that date, payable quarterly, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The interest on the registered stock will be paid by check, issued by the Treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the Treasurer and assistant treasurers of the United States.

The subscriptions will be for coupon bonds of $50 and $100, and registered stock in denominations of $50, $100, $500, $1,000, $5,000, and $10,000.

The bonds, both coupon and registered, will be ready for delivery July 2, 1877.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered stock, the full name and post-office address of the person to whom the bonds shall be made payable.

Two per cent. of the purchase money must accompany the subscription, the remainder may be paid at the pleasure of the purchaser, either at time of subscription or at any time prior to October 16, 1877, with interest added at four per cent. to date of payment.

The payments may be made in gold coin to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, and Saint Louis, and to the assistant treasurer at San Francisco, with exchange on New York, or to either of the undersigned.

To promote the convenience of subscribers, the undersigned will also receive, in lieu of coin, United States notes or drafts on New York, at their coin value on the day of receipt in the city of New York.

AUGUST BELMONT & CO., New York.
DREXEL, MORGAN & CO., New York.
J. & W. SELIGMAN & CO., New York.
MORTON, BLISS & CO., New York.
FIRST NATIONAL BANK
OF THE CITY OF NEW YORK, N. Y.
DREXEL & CO., Philadelphia.

JUNE 14, 1877.

No. 139.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, June 14, 1877.

DEAR MR. SECRETARY: I had the honor to receive on the 11th instant your cable message stating that the contract of August 24, 1876, had been closed on an issue of two hundred millions of the 4½ per cent. bonds, and that a new contract for placing the four per cent. had been entered into, with a subscription of twenty-five millions firm. I like the new feature in the contract which provides that subscriptions shall be received at par for a period of thirty days. It is excellent, and will, of course, meet the approbation of everybody.

The contracting parties here think they will ultimately be benefited by it.

The announcement here that a new contract had been made caused an advance in the price of our four and one-half and five per cent. bonds; the first-named going up to 104⅝. I inclose a clipping from the money article in the London Times of the 12th instant, and also one from the news column of the same paper of the issue of the 11th instant, relating to the contract, &c.

Inasmuch as I had at one time, by your instructions, given the Messrs. Rothschild the assurance that you would consider their views, I sent on the 11th a cable message to you, *at their request*, as follows: "Rothschild request me to say that it is important for this market that the public subscriptions in America for the 4 per cent. loan should be a success, and that this will make the market for London. N. M. Rothschild & Sons hope Secretary of the Treasury will advise that banks subscribe for immediately. J. S. Morgan & Co. and N. M. Rothschild & Sons think subscriptions should be open soon in view of preparing London market," &c. I could only imperfectly convey to you through the medium of a cipher dispatch based on phrases the ideas which the parties wish to express and had to leave much to be supplied by inference.

The parties are extremely anxious to make a success in placing the loan, and they wish it to have a grand *send off*. The 5 per cent. loan was brought out in this market, and so was the 4½ per cent.

They say that 5 per cent. being above the average rates which interest on sound loans yielded, it was an easy matter, after the credit of our government had got well established, to sell its 5 per cent. bonds. I will mention here that Mr. Seligman informed me yesterday, that one day in 1870, when there was a depression in the market here, he purchased a quarter of a million of our 6 per cent. five-twenty bonds at the rate of 89 cents on the dollar.

The 4½ per cent. loan came out at a time when circumstances were favorable for placing it, and it has been a greater success than the 5 per cent. loan. In regard to the new loan, it is said that the rate of interest which it bears will, as a matter of course, bring other stocks (placed at below par) more into competition with it than was the case with the other two loans.

The uncertainty of the political situation all throughout Europe will have a tendency to influence people to delay making investments; to keep their money in cash with which to meet emergencies that may arise, or for use in speculation, as opportunities may occur, in the event of a general war. Investors here in American stocks have heretofore realized large rates of interest when they have received any at all, and they

have supposed that our bonds came here partly because the rates of interest were below the usual rates of interest at home, and some of them think that we are a debtor country and will be obliged to pay high rates of interest. The parties, therefore, hope that there will be large subscriptions in the United States at first, which will demonstrate to these people that 4 per cent. is not a low rate of interest in America; that we are not compelled to go abroad to borrow money at that rate, which they think will have a wonderful effect upon the market here. As I mentioned in one of my previous letters, the Messrs. Rothschild have advocated the plan of commencing the loan by a public subscription.

In their operations they place great stress on the success which attends the first undertaking.

What they intended as to advising banks to subscribe was to have it understood that the Secretary had advised such a course.

If it were understood that banks in America were investing, it would influence the banks here to do the same thing. The parties here are in favor of opening the subscription books immediately, believing that the present is a good time to make the beginning.

Any one would be astonished at the operations which take place here in bonds of governments that are almost bankrupt.

Some of these governments actually mortgage their revenues. Russian stocks were once a great favorite in this market, and Russian credit was considered as among the best; but it all came out of a sort of sentimentalism that sprang up just after the Crimean war.

Russian finances are in a bad condition, and it is said that but little or no knowledge can be gained of them; and yet it is stated here that she is negotiating a loan in Paris and Berlin for £15,000,000 at five per cent., the issue price of the bonds to be seventy per cent. of the principal, with a large allowance to a syndicate for placing them. She has also raised a forced loan at home of about 200,000,000 roubles.

Colonel Burns' party left here yesterday taking with them cancelled securities amounting to $21,594,414.87. I did not send Mr. Gifford with them, for the reason that he wished to spend a little time here on account of his health before returning home, and requested a *leave of absence without pay* until such time; which, in accordance with the custom in such cases, I have given him.

General Grant is receiving the most distinguished consideration here that has ever been paid to any American.

I inclose herewith a tabular statement showing the issues, rates of interest, &c. of the loans and securities of certain foreign governments.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 140.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 14, 1877

Messrs. AUGUST BELMONT & CO.,
New York:

GENTLEMEN: It appears that the amount of coin in the Treasury held to pay called bonds has, since the 1st of May, ranged from fourteen to

fifteen million dollars, and is likely to increase by reason of the large calls made in March, and falling in during the present month. It is probable also that this will continue during some months to come. The tendency of this operation is to withdraw from the market a greater amount of gold than is really necessary, and I suggest, with some hesitation, whether it would not be proper, in order to avoid this difficulty as much as possible, that calls be made in anticipation of sales of four per cent. bonds. It seems to me that it would be safe to have the calls very largely in excess of the actual sales made, and that the payment of called bonds will be sufficiently secured by future sales and uncalled gold. It is likely that a large portion of the smaller subscriptions made by the people will be paid in hand, and, as this money cannot be paid out except for called bonds at the end of ninety days, we thus increase the difficulty I have referred to. Perhaps this suggestion has been fully considered and rejected by you already. If so, no harm is done.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 141.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *June* 15, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Permit us to ask your attention to the fact that the feeling of satisfaction with which the announcement was received by the public here, that the four per cent. bonds would be open for popular subscription at par in gold for a period of thirty days, has been greatly diasppointed by the action of the syndicate in declining to receive subscriptions for coupon bonds of larger denominations than $100.

This action, so far as investors who prefer coupon bonds are concerned, defeats the object of the popular subscription, and renders it of no avail.

Whether you have any control over the matter, or whether the syndicate have the right to impose this restriction upon subscriptions, we are not aware, but we take the liberty of respectfully calling your attention to the fact, and to the general feeling of disappointment which it has occasioned, and, on behalf of parties desiring to subscribe for coupon bonds, to ask whether they will be permitted to do so without restriction as to denominations.

Very truly, yours, FISK & HATCH.

No. 142.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 15, 1877.

CONANT, *London:*

Deliver to N. M. Rothschild & Sons $200,000 4½ per cent. bonds, paid for here. SHERMAN.

No. 143.

Mr. Sherman to Assistant Treasurer United States, San Francisco.

TREASURY DEPARTMENT, *June* 15, 1877.

UNITED STATES ASSISTANT TREASURER,
San Francisco, Cal.:

SIR: You will receive herewith circulars and subscription blanks for the new 4 per cent. United States bonds, consols of 1907, which you will distribute to such an extent as you may find convenient.

Upon receipt of a subscription for said bonds you will require 2 per cent. of the amount subscribed to be paid you, which you will deposit to the credit of the Treasurer of the United States, in general account, as a two per cent. deposit subscription to the four per cent. consols, and will issue coin certificates of deposit therefor in duplicate, forwarding the original to the Loan Division of this office, with the application, and the duplicate to the depositor.

The remaining 98 per cent., together with interest accrued from July 1, 1877, may be received at any time prior to October 16, 1877.

Should subscribers prefer to pay the full amount at once, you will issue therefor duplicate certificates of deposit and dispose of them in the same manner as above indicated.

Bonds subscribed for through your office will be forwarded to your address upon notification by you that the subscribers are prepared to receive and pay for them.

Four per cent. interest tables will be furnished for your use in a few days, and at time of the delivery of the bonds you will receive from the subscribers the principal, or 98 per cent. thereof, as the case may be, and interest at 4 per cent. on the par value, accrued from July 1 to date of delivery, and the current exchange on New York.

Any person subscribing and making payment in full before July 1, 1877, will receive from the Treasurer of the United States an interest check covering period from date of such payment to the date of the bond, July 1, 1877.

Applicants desiring to make payments in United States notes or New York exchange will be referred by you to some one of the subscribers of the accompanying prospectus.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 144.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *June* 15, 1877.

Hon. A. U. WYMAN,
Treasurer of the United States:

Sir: You will receive herewith circulars and subscription blanks for the new 4 per cent. United States bonds, consols of 1907, which you will distribute to such an extent as you may find convenient.

Upon receipt of a subscription for said bonds you will require two per cent. of the amount subscribed to be paid you, which you will deposit to the credit of the Treasurer of the United States in general account, as a two per cent. deposit subscription to the 4 per cent. consols, and will

issue coin certificates of deposit therefor in duplicate, forwarding the original to the Loan Division of this office, with the application, and the duplicate to the depositor. The remaining 98 per cent., together with interest accrued from July 1, 1877, may be received at any time prior to October 16, 1877.

Should subscribers prefer to pay the full amount at once, you will issue therefor duplicate certificates of deposit and dispose of them in the same manner as above indicated.

Bonds subscribed for through your office will be forwarded to your address upon notification by you that the subscribers are prepared to receive and pay for them.

Four per cent. interest tables will be furnished for your use in a few days, and at time of the delivery of the bonds you will receive from the subscribers the principal, or 98 per cent. thereof, as the case may be, and interest at 4 per cent. on the par value accrued from July 1 to date of delivery.

Any person subscribing and making payment in full before July 1, 1877, will receive from the Treasurer of the United States an interest check covering period from date of such payment to the date of the bond, July 1, 1877.

Applicants desiring to make payments in United States notes or New York exchange will be referred by you to some one of the subscribers of the accompanying prospectus.

Very respectfully, JOHN SHERMAN, *Secretary.*

Similar letter, same date, to Assistant Treasurers at Boston, Cincinnati, Chicago, Saint Louis, New Orleans, and Baltimore.

No. 145.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, June 16, 1877.

DEAR SIR: Your private note, the letter of your firm, and one from Messrs. Seligman & Co., asking me to make a public statement over my own signature, similar that of Mr. French, are received. I have given to this important suggestion the most serious consideration, and have come to the firm conclusion that such an act on my part would be inexpedient, and defeat the very object you have in view. As a purely executive officer I have no power to pass upon the question mooted. My attempt to do so would at once unite all those who are seized with this mania and those who oppose executive encroachment upon legislative power. It would create excitement, personal and political animosities would mingle with it, and it would tend more than anything else to defeat the success of the loan. I am quite sure this would be the result.

As to whether Congress or the people would ever undertake to pay either principal or interest of the bonded debt, and especially the bonds sold since 1873, in silver, I have a firm conviction that the question will never seriously be raised. These bonds will be paid, principal and interest, in gold coin. The people of the United States have always been extremely sensitive as to the public credit. They never have, for the sake of an apparent profit, yielded any question involving the public honor.

The great satisfaction that will arise from the funding of the loan at a low rate of interest, together with their strong sense of public honor and public faith, will always secure the payment of these bonds, principal and interest, in coin.

Parties or factions may for a time raise and contest questions, but they are but bubbles and will pass away, and like all other questions involving the public credit, will be rightfully settled in due time by Congress and the people.

Nothing would so tend to disturb this result as unauthorized "theses" or dogmas by an executive officer upon a question purely legislative or judicial. Indeed, it may be that too much has already been said about this matter by both the President and myself, and I assure you that you will have no occasion to be disturbed by anything truthfully reported of either of us hereafter. The better way is to move right along, making your own statements, and if at any time I see a proper occasion for a strong expression of my opinion, I will give it.

Please show this to Mr. Seligman and such of your associates as you deem proper, as an answer to all.

Very truly yours, JOHN SHERMAN.

Hon. AUGUST BELMONT, *New York.*

No. 146.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 16, 1877.

DEAR MR. SECRETARY: Owing to the accident which happened to the "City of Berlin," your letter of the 31st ultimo did not come to hand until yesterday. I note what you were pleased to say in respect to pushing the loan so as to make it a success before the meeting of Congress, and also in regard to inspiring the Rothschilds to aid in this purpose. I have persistently urged upon them the necessity of prompt action in bringing out the 4 per cent. loan, and the advantages that would arise therefrom. They seem to be very anxious to succeed in placing it; but as to their views of the prospects of success, I can only say I think they give altogether too much weight to the success which may or may not attend the placing of the first twenty-five million by subscription. I have given them my opinion that the twenty-five million will be taken, provided, of course, nothing shall occur to disturb the market within the thirty days, and very likely during the last seven of the thirty. They have repeatedly assured me that they would do all that they could to meet your views and wishes, and do all they possibly can to facilitate the sale of the bonds. I will keep constantly pushing the loan here. There is no doubt but that many of our older issues of bonds are now being (as they have been for two years past) returned home in payment of the balance of trade, thus being used in making payments in lieu of exchange or gold; and if we are fortunate enough in the future to export more than we import, the difference in our favor will be returned to us in the shape of our debt abroad. With continuous prosperity, there is good reason to believe that long before our debt shall reach maturity it will all be held at home.

From what I can learn, I think our surplus crops will be wanted.

It is surprising to observe the amount of canned goods, fresh beef, &c., that is now coming to this market from the United States.

I inclose a table showing the amount of gold and silver exported and imported during a period of five months.

One of the members of the firm of Morton, Rose & Co. called upon me this morning and said that some of the holders of our bonds had got the impression from newspaper comments or reports, or stupidly worded telegrams from home, that the President and yourself were in favor of a double standard, and of making silver a legal tender in any sum, with no limit as to the amount of issue; and that in fact a bank (for that reason) that was about to take a million of four and one-half per cent. bonds was now hesitating about it.

I told them that such a thing as either the President or yourself being favorably disposed towards such a course was supremely ridiculous; and denied that there was any truth in such a report. I explained to him that we already had, in one sense of the word, a double standard; that we had no silver dollar, but that we had a subsidiary silver coinage, used for change only, limited in the amount of issue to fifty million dollars (sixty, I think, you consider it), and a legal tender to the extent of only five dollars. I called his attention, and also that of Mr. Morgan, who mentioned the same matter to me, to pages XVIII to XXI, inclusive, of the last annual report of the Secretary as presenting what had uniformly been the construction given by the department to the law relating to the payments of our bonds in coin.

Our credit would be absolutely ruined here if silver were to be made a legal tender in any large amount, or if the issue was unlimited.

If you deem it proper and advisable to confirm what I have said in a letter to me which I can have to show to the contracting parties, it may serve a good purpose. Mr. Morton says that France will yet suffer on account of her *silver* policy. Silver is worth to-day 53¾ pence per ounce.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington D. C.

No. 147.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 16, 1877.

SHERMAN, *Washington*:

Burns' party sailed on Germanic fourteenth, with $21,600,000 canceled 5-20 called bonds and coin coupons.

Price of silver, 53¾ *d.*

CONANT.

No. 148.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, June 18, 1877.

MY DEAR SIR: Upon mature reflection, I do not feel sure that I was entirely right in the first part of my letter to you of the 16th.

As you see, it is based, not upon my conviction on the question submitted to me, but upon the probable effect of my making a formal declaration upon the subject. I may have been mistaken.

It is certain that I will give, in any way that is most effective, my assent, either in public or in private, to the payment of the 4 per cent. bonds in gold coin alone. The idea of offering these bonds at par in gold and then contemplating their payment by some subsequent legislation in silver coin is so obnoxious to me that I would repel it almost as an insult, nor do I believe that Congress would ever seriously entertain such a proposition.

If, therefore, those engaged in the sale of these bonds should, after full reflection, think that I ought to give the weight of my official influence in clearing away an honest doubt, I will do it, but would prefer not to seem by a formal declaration to suggest a belief that I think Congress or the American people would ever resort to such an expedient to make easier the payment of their debts.

I will await further advice from you.

Very truly yours, JOHN SHERMAN.

Hon. AUG. BELMONT, *New York.*

No. 149.

Mr. Sherman to Messrs. Vermilye & Co.

TREASURY DEPARTMENT, *June* 18, 1877.

GENTLEMEN: Your letter of the 15th instant is received.

The contract of June 9 stipulates that the associates may confine the popular loan to all denominations of registered and to the $50s and $100s of coupon bonds. They declined to agree to the issue in this country of coupon bonds of larger denominations, as it would interfere with the sales in Europe.

I would have preferred to have kept open the right to subscribers for all classes of the 4 per cent. bonds, but the reason given for the exception seemed to be sufficient and was agreed to.

Very respectfully, JOHN SHERMAN, *Secretary.*

Messrs. VERMILYE & Co., *New York City.*

Similar letters to Messrs. Edward Sweet & Co., New York City, and Messrs. Fisk & Hatch, New York City.

No. 150.

Mr. F. O. French to Mr. Sherman.

No. 94 BROADWAY, NEW YORK, *June* 18, 1877.

Hon. JOHN SHERMAN,
Washington, D. C.:

DEAR SIR:

* * * * * * *

If we are to have silver dollars with unlimited tender of free coinage, then, it is said, as silver coin is receivable for duties, from necessity both

interest and principal of the public debt must be paid in silver. Gold will disappear; the new market will advance the value of silver for a time to the disappointment of the advocates of depreciation, but when under the vast supplies of the world silver again declines, we perpetuate a depreciated and fluctuating currency with all attendant evils.

And if, while restoring silver, we still pay gold on the bonded debt, the discrimination continues between bondholders and other creditors odious, and inviting constant assaults against a "favored class."

There should be one and the same dollar for the bondholder, for every other creditor, public or private, and for every workingman—and that the dollar of uniform, stable value throughout the world, now of the greatest purchasing power—*gold*.

And it is the people—the producing class, the workers—who have the greatest interest in restoring the gold standard, and not bondholders nor mine-owners; not merchants, bankers, and middlemen, for all these protect themselves whatever comes.

We seem to repeat the experience of ten years ago, when it was urged on technical grounds that 5-20s were payable in paper, whereby our credit was greatly impeded. It was not until May, 1869, after the passage of the credit act, that the great advance in United States bonds marked the sound policy of that honest measure.

So now, while your proposition limiting the issue will preserve the public faith, those who wish a depreciated dollar will be satisfied with nothing less.

Therefore, while the public mind is yet unformed, we need an emphatic declaration which will crystallize honest and intelligent sentiment, that by no quibble will the government undertake to repay in silver the sums it now seeks to borrow in gold.

Then is the success of the 4 per cent. loan assured, and with that resumption in 1879.

With great respect, F. O. FRENCH.

No. 151.

Circular letter to Independent Treasury officers.

TREASURY DEPARTMENT, *June* 18, 1877.

* * *

SIR: You are hereby authorized and instructed to receive at once, without rebate, any July 1, 1877, United States coin coupons which may be presented to you in payment of the two per cent. deposit on account of subscription to the United States 4 per cent. loan of 1907.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 152.

Mr. Sherman to Mr. F. O. French.

TREASURY DEPARTMENT,
Washington, D. C., June 19, 1877.

SIR: Your letter of the 18th instant, in which you inquire whether the four per cent. bonds now being sold by the government are payable principal and interest in gold coin, is received. The subject, from its great importance, has demanded and received careful consideration.

Under laws now in force, there is no coin issued or issuable in which the principal of the four per cent. bonds is redeemable or the interest payable except the gold coins of the United States of the standard value fixed by laws in force on the 14th of July, 1870, when the bonds were authorized.

The government exacts in exchange for these bonds payment at their face in such gold coin, and it is not to be anticipated that any future legislation of Congress or any action of any department of the government, would sanction or tolerate the redemption of the principal of these bonds or the payment of the interest thereon in coin of less value than the coin authorized by law at the time of the issue of the bonds, being the coin exacted by the government in exchange for the same.

The essential element of *good faith* in preserving the equality in value between the coinage in which the government receives and that in which it pays these bonds, will be sacredly observed by the government and the people of the United States, whatever may be the system of coinage which the general policy of the nation may at any time adopt.

This principle is impressed upon the text of the law of July 14, 1870, under which the four per cent. bonds are issued, and requires, in the opinion of the executive department of the government, the redemption of these bonds and the payment of their interest in coin of equal value with that which the government receives from its issue.

Very respectfully, JOHN SHERMAN, *Secretary.*

FRANCIS O. FRENCH, Esq.,
94 *Broadway, New York.*

No. 153.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 19, 1877.

GENTLEMEN: Inclosed I send you a copy of a letter this day sent to Francis O. French, esq., of your city, in answer to his inquiry whether the four per cent. bonds now being sold by the government are payable, principal and interest, in gold coin. The views therein expressed are concurred in by the President and all his cabinet. I have deemed it best to state them in reply to one of numerous letters from private citizens, and that the public might be informed of them I have given copies to the Associated Press.

Very respectfully, JOHN SHERMAN, *Secretary.*

AUGUST BELMONT & CO.,
New York City.

No. 154.

Mr. Belmont to Mr. Sherman.

NEW YORK, *June* 19, 1877.

MY DEAR SIR: I have the honor to acknowledge the receipt of your two esteemed favors of the 16th and 18th instants, the contents of which I have communicated to my associates.

The question at stake is of so much importance that I have to crave your permission to reply only in a day or two to your very able arguments in favor of the position which you deem it best for the success of the 4 per cent. loan and the general financial policy of the government to maintain.

If Mr. French's letter had not been published there could be no doubt as to the propriety and policy of the course of silence and reticence on the part of yourself and the President. But now that the department has been drawn into the discussion by this letter, the question becomes more grave and complicated.

You will therefore permit me to answer to your letters in a day or two, after full consultation with my colleagues.

Allow me only to observe here that it was not my intention to ask from you an expression as to the judicial or legislative bearing of the question, but that I thought that you might, as the first executive officer of the Treasury Department, declare your conviction that the honor and good faith of the people of the United States are pledged to the payment in gold coin of the present standard of interest and principal of the national debt.

Yours, very truly, AUG. BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 155.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June, 19, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: I have the honor to inform you that I have directed the assistant treasurers of the United States to receive July, 1877, coin coupons, without rebate, from subscribers to the new 4 per cent. consols in payment of the 2 per cent. deposit during the month of June. I should be gratified if you would advise me daily of the amount of subscriptions you may receive on account of the 4 per cent. consols, by telegram. I inclose a cipher which I think will answer for this purpose.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 156.

Assistant Treasurer United States, New York, to Mr. Sherman.

NEW YORK, *June* 19, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 18th instant, directing us to receive at once, without rebate, any July 1, 1877, United States coupons (coin) which may be presented in payment of the two per cent. deposit on account of subscriptions to the United States four per cent. loan of 1907.

As the circular of the syndicate of June 14th instant does not include this office in the list of public subscriptions that are authorized to receive

such payments, I infer that your instructions are not intended to apply to us, but are limited to such depositories as are mentioned in the circular referred to. Will you please advise me whether I rightly interpret your instructions on this point?

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 157.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *June* 19, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We have the honor to acknowledge receipt of your favor of the 14th instant, suggesting that early calls be made against the 4 per cent. bonds in order to avoid a too heavy accumulation of gold in the Treasury.

We have laid the matter before the associates and after full consideration they have come to the conclusion that it would be preferable to defer the matter for a few days until some indications can be had of the success of the popular subscriptions. As soon as these can in some measure be judged of, we shall take pleasure in again communicating with you on the subject, and in the mean time remain,

Yours, very respectfully,

AUG. BELMONT & CO.

No. 158.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 19, 1877.

CONANT, *London:*

Deliver to N. M. Rothschild & Sons $200,000 4½ per cent. bonds, paid for here.

SHERMAN.

No. 159.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 19, 1877.

SHERMAN, *Washington:*

Party has arrived safely. Price of silver 53⅝*d.*

CONANT.

No. 160.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 19, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: Your letter of the 18th instant inclosing coin certificate of deposit 340, for $6,249.08, the accrued interest on $3,852,800 United States 4½ per cent. bonds of 1891, and coin certificate of deposit 339 for $17,350 on account of subscription to the 4 per cent. funded loan of 1907; also coin certificate of deposit 338, for $200,000 "on account of subscription to the 4½ per cent. funded loan of 1891, the bonds to be delivered at London, England," has been received. In compliance with your request, Mr. Conant has been instructed, by cable, to deliver to Messrs. N. M. Rothschild & Sons, London, England, $200,000 United States 4½ per cent. bonds of 1891. The United States 4 per cent. bonds of 1907 you have ordered will be issued as early as possible and transmitted to your address, and coin checks for the interest thereon from date of payment to July 1 will be mailed to you. No interest will be charged upon such of the 4 per cent. bonds of 1907 as shall be paid for and taken up promptly on July 2, 1877. Several large packages of printed circulars and applications for the 4 per cent. bonds were sent to your address yesterday by express.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 162.

Mr. F. O. French to Mr. Sherman.

No. 94 BROADWAY, *New York, June* 20, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: I have to acknowledge receipt of your esteemed favor of 19th, and am not alone in thanking you for so emphatic a declaration that the Executive will maintain the public faith.

With this we can go to the investing public in both hemispheres with success.

Mr. Belmont, for the syndicate, and Mr. Coe (the president of the American Exchange National Bank, and chairman of the New York Clearing-House Association), outside of the syndicate, expressed their satisfaction alike.

The 4½s advanced to-day ⅜ in gold. I have now new hope of bringing about a very considerable subscription through the Associated Banks, of which I spoke to you. If made, this will be done not as an investment, but with a view of resumption and a restoration of a sound basis for business.

As the plan takes shape, I will communicate the details at length.

With great respect, F. O. FRENCH.

No. 163.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT,
Washington, D. C., June 20, 1877.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 19th instant, in which you refer to my communication in regard to receiving July, 1877, coupons without rebate during the month of June as a 2 per cent. deposit on subscriptions to the 4 per cent. loan, and remark that you judge you are not authorized to receive subscriptions to that loan, has been received.

In reply, I would say it was supposed that the applications for this class of bonds in New York would most probably be made to the subscribers to the prospectus, and that funding would be done under their instructions, through your office, as heretofore.

I desire you to receive subscriptions from any persons who wish to make them with you, and upon receipt of the same you will require two per cent. (2 %) of the amount subscribed to be paid you, which you will deposit to the credit of the Treasurer of the United States in general account, as a two per cent. (2 %) deposit subscription to the four per cent. (4 %) consols, and will issue coin certificates of deposits therefor in duplicate, forwarding the original to the Loan Division of this office with the application, and the duplicate to the depositor.

The remaining ninety-eight per cent. (98 %), together with interest accrued from July 1, 1877, may be received at any time prior to October 16, 1877.

Should subscribers prefer to pay the full amount at once, you will issue therefor duplicate certificates of deposit, and dispose of them in the same manner as above indicated.

Bonds subscribed for through your office will be forwarded to your address upon notification by you that the subscribers are prepared to receive and pay for them.

Four per cent. (4 %) interest tables will be furnished for your use in a few days, and at time of the delivery of the bonds you will receive from the subscribers the principal, or ninety-eight per cent. (98 %) thereof, as the case may be, and interest at four per cent. (4 %) on the par value, accrued from July 1 to date of delivery.

Any person subscribing and making payment in full before July 1, 1877, will receive from the Treasury of the United States an interest check covering period from date of such payment to the date of the bond, July 1, 1877.

Applicants desiring to make payments in United States notes or New York exchange will be referred by you to some one of the subscribers of the accompanying prospectus.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 164.

Messrs. Morton, Bliss & Co. to Mr. Sherman.

NEW YORK, *June 20, 1877.*

DEAR SIR: Some of the parties interested in the contract for the 4½ per cent. bonds claim that in signing, on the 9th instant, the paper

prepared by you, in which the syndicate subscribed for the remaining 4½ per cent. bonds up to two hundred millions and formally terminated the contract for their negotiation, we relinquished a then existing right on their part for their proportion of the third hundred millions.

In your letter of May 23, addressed to Messrs. A. Belmont & Co., you state as your understanding that the right of the syndicate to take over two hundred millions has terminated. Will you oblige us by informing us when and in what manner the notice called for under the contract had been given; and, also, whether you understood the termination of the 4½ per cent. contract and the contract for 4 per cent. bonds one or two distinct transactions?

We remain, &c.,

MORTON, BLISS & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 166.

Assistant Treasurer United States at Cincinnati to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, June 20, 1877.

SIR: I respectfully suggest that subscriptions to the new four per cent. United States bonds would be facilitated and popularized with the smaller subscribers, if this office was allowed to furnish the gold upon the same plan and conditions as in customs.

If this suggestion be approved, please give the requisite authority.

Very respectfully,

A. M. STERN,
Assistant Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

No. 167.

Mr. Sherman to Messrs. Morton, Bliss & Co.

TREASURY DEPARTMENT, *June 21, 1877.*

Messrs. MORTON, BLISS & CO., *New York:*

GENTLEMEN: Your letter of the 20th instant is received. I regard the withdrawal of one hundred millions of 4½ per cent. bonds from the previous contract as complete on the 23d day of May, 1877. In the interview I had with the syndicate at New York on May 11th, I stated my purpose to confine the 4½ per cent. loan to $200,000,000. If there had been any serious opposition to that, it was my intention to give the ten days' notice under the contract, but it was acquiesced in and a written modification of the contract made to meet the requirements of the resumption act. Subsequently several letters and telegrams passed between members of the syndicate and myself, assuming the withdrawal of the one hundred millions, and Mr. Conant informed me by cable telegram on April 28th that Rothschilds agree to the withdrawal of one hundred millions 4½ per cent. bonds, provided associates in America con-

sent. I subsequently had a personal interview with Mr. Belmont, in which the subject was again spoken of as agreed to, but observing that it was not in writing, I felt it my duty on the 23d of May to notify the associates that, as I understand, it is now agreed between us that one hundred millions of the 4½ per cent. bonds described in the second clause of the agreement of the date of April 24, 1876, between the United States and Messrs. Rothschild & Sons and their associates, are withdrawn; the formal agreement for the withdrawal was signed on the 9th instant. The contract for the 4 per cent. bonds is a separate and distinct contract. I believe this answers the inquiries you make.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 168.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 21, 1877.

CONANT, *London:*

Deliver to N. M. Rothschild & Sons $500,000 4½ per cent. bonds of 1891, paid for here. SHERMAN.

No. 169.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER.
New York, June 21, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 20th instant, authorizing subscriptions, payable in gold, to be received at this office to the 4 per cent. loan, and herewith inclose copy of a notice to that effect posted on our bulletin. If not in conformity with your intentions in any respect, please advise us.

Permit me to inquire whether, in receiving subscriptions for coupon bonds, we shall follow the rule of the syndicate, and restrict subscribers to the denominations of $50 and $100?

Very respectfully THOMAS HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary, &c.*

[Inclosure with Assistant Treasurer's (New York) letter of June 21, 1877.]

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, June 21, 1877.

Notice is hereby given that in conformity with instructions from the Secretary of the Treasury, subscriptions, payable in gold, will be received at this office for the 4 per cent. funded loan of the United States until the close of business on July 16, 1877, unless otherwise directed. Two per cent. of the amount subscribed for will be required to be paid at the time of subscription, either in gold or in United States coupons due July 1, 1877, which will be received without rebate; the remaining 98 per cent. to be paid in gold on or before October 16, 1877, at the option of the subscribers, with interest at 4 per cent. from July 1, 1877, to date of delivery. Sub-

scribers paying in full before July 1, 1877, will receive an interest-check covering period from date of payment to July 1, 1877, the date of the bond.

THOMAS HILLHOUSE,
Assistant Treasurer United States.

No. 170.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 21, 1877.

DEAR MR. SECRETARY: Referring to that portion of the letter which I had the honor to address you on the 16th instant, in relation to the reports which had been circulated to the effect that our bonds, when they became due, cou'd be paid off in silver, I have now to say that every one here interested in the subject was very much pleased yesterday afternoon by the announcement, made by telegram, that you had written to the syndicate declaring that the four per cent. bonds were payable only in gold coin of the standard value fixed by law.

People here are very sensitive to such rumors as I have referred to. In this instance, no harm had come from them. I wish we could get rid of the silver question, or at any rate postpone its consideration by Congress. I think it will prove to be the most troublesome question we shall have to deal with; certainly no other one could affect our credit to any such extent.

There has been a stagnation in this market during the past few days that no one can account for. Prices have not been much affected, but there has been nothing doing.

Money is easy, and the prospects that it will continue to be easy in the future are good.

The bank is accumulating gold, and it is thought that the bank rate will be reduced within a few days, or at the farthest by the first of July, at about which time £600,000 gold will arrive here from Australia.

Gold coinage in Germany has been resumed at the rate of £150,000 per week, but a continuance at any such rate is improbable, for the reason that the government cannot obtain gold through the sales of its silver to keep it up. Germany pays a high price for gold. It is reported that the German Government is about to fund a portion of its treasury notes into bonds.

The trade returns of Great Britain show that for the five months ending May 31st the *imports* were £165,638,000—a gain of £8,877,000 over the corresponding period, and that the *exports* were £79,928,000, a falling off of £3,434,000. The imports were therefore £85,710,000 more than the exports—a sum which really represents a payment by other countries to Great Britain, in merchandise, of debts due to her on account of interest, &c.

I inclose a clipping from the Times, giving an extract from the report of the consul-general of Great Britain at New York, respecting the commerce of that place and the trade with the United States.

An expert testified on yesterday before one of the committees of Parliament that eighteen million pounds of beef were brought to England during the year 1876 from America, and that nearly that amount, or within a few pounds of it, were brought over during the first four months of the current year.

I understand that the four and one-half per cent. bonds are nearly all sold, and of course they will all have been disposed of before you will receive this letter.

I inclose some letters sent to Colonel Burns, for the reason that I do not know his address.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 171.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 22, 1877.

CONANT, *London:*

Deliver to Rothchilds $100,000 new 4½ per cent. bonds, paid for here.

SHERMAN.

No. 172.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 23, 1877.

CONANT, *London:*

Deliver to Rothchilds $200,000 new 4½ per cent. bonds, paid for here.

SHERMAN.

No. 173.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 23, 1877.

DEAR MR. SECRETARY: I inclose another clipping from the Times of yesterday, containing a telegram relating to your letter to the syndicate upon the question of the payment of the 4 per cent. bonds in gold coin. I hope that the letter will be printed in the form of a circular and that a large number of them may be sent here for distribution.

The contract which you have made for placing the 4 per cent. loan has compelled people here to acknowledge and concede the fact that we take rank, financially, among nations as second only to England. The measures which have enabled us to obtain such an enviable position must be well known to most of our people, and it will be strange indeed if they do not see the importance of maintaining our national credit, and the advantages they will derive from it individually, and thereby give you their aid and support in carrying out your plans for resumption and refunding.

As to the 4 per cent. bonds, I can only say that everything here, at the present moment, having any bearing upon the question of placing them is of the most favorable character. Money is cheap and plenty; yet not so plenty here as in Paris, at this moment.

There is a plethora of it there and many bills are being sent thither

from here for discount. Investments are kept back here by the many rumors constantly set on foot of British intervention in foreign politics.

It was expected that the Bank of England would reduce its rate of interest—but its management is of the most conservative kind—and in view of political complications, precautionary measures to keep the bank strong in such an event are to govern.

The bank has gained during the week £854,368 in bullion. The amount of bullion it has at present is £26,615,824, and the same week last year it had £29,480,613.

The government debt to the bank is £11,015,100, which added to £3,984,900 of securities which the bank holds, makes a total of £15,000,000, against which it is allowed to issue the same amount in notes without bullion reserve.

The Imperial Bank of Germany has reduced its rate of interest from five to four per cent. It was raised to the former rate to protect its bullion. It now has in coin and bullion £27,939,000, an increase during the week of £314,000. Germany is about to place a loan of £2,000,000 for domestic purposes at 4 per cent.

France is about to place a loan for public works in the shape of long dated treasury bonds for 500 francs, or $100 each, redeemable by periodical drawings.

The bonds will be offered at 470 francs, about $94, and bear interest at the rate of 20 francs, or about 4 per centum.

The Bank of France had cash on hand on the 21st amounting to £91,064,000 (bullion), an increase of £202,000 over the preceding week.

I inclose a slip giving an account of the new Portuguese loan.

In a discussion in Parliament on Thursday on the question of granting authority for the negotiation of a loan about £6,000,000 for India (half to be placed here and half in India), Lord Hamilton said in explaining the Indian financial budget that the loan was required to meet a deficit caused by the famine and the depreciation in the price of silver.

The loans referred to will not interfere with our four per cent. bonds.

I learn that there has been considerable inquiry made concerning our bonds by insurance companies here.

I think that our four per cents will be taken to quite an extent in France.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 174.

Mr. Sherman to Assistant Treasurer United States at Cincinnati.

TREASURY DEPARTMENT, *June* 23, 1877.

UNITED STATES ASSISTANT TREASURER,
Cincinnati, Ohio:

SIR: In reply to your letter of the 20th instant concerning the sale of gold to subscribers of the new four per cent. United States bonds, I have to inform you that I do not feel authorized to sell gold for the purpose stated by you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 175.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *June* 25, 1877.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: In again referring to your "notice" concerning subscriptions to be received at your office, I notice the language: "The remaining 98 per cent. to be paid in gold, on or before October 16, 1877, at the option of the subscribers, with interest at 4 per cent. from July 1, 1877, to date of delivery."

It is possible that this might be construed as 4 per cent. interest on 98 per cent. of the subscription. You will observe that your instructions read 4 per cent. interest on the *par value of the bonds*, which is correct, as the 2 per cent. is simply a guarantee deposit.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 176.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, June 26, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 25th instant, pointing out an error in stating the conditions of the subscriptions to the 4 per cent. loan, in our notice of the 21st instant, a copy of which was transmitted to the department. To make it conform to the intentions of the Secretary, we have amended it, by inserting after the word "interest" in the fifteenth line, the words, "on the par value of the bonds."

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 177.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, June 27, 1877.

DEAR MR. CONANT: Your letter of the 16th is just received.

Ten days have transpired since the popular loan was placed upon the market, and the sales according to present advices reach about four millions. I anticipate much more rapid sales towards the close of the twenty days.

In regard to the gold and silver question referred to by Morton, Rose & Co., you have no doubt already received the authoritative construction of the President and Cabinet upon that subject, and it seems to be universally acquiesced in throughout the United States. I hear nothing further about it. I inclose one of the letters herewith.

I had hoped that the loan would be started in London with good strong subscriptions at the same time it was started here, but the policy of the contracting party seems to be to postpone the opening of the loan in London until the end of the month.

We have sufficient silver on hand to answer our demands. I send you copy of letter and statement, from which you will see that only a little over four million dollars are yet to be issued, except in exchange for fractional currency, and we have seven millions on hand.

All well here.

Very truly yours, JOHN SHERMAN.

Hon. C. F. CONANT, *London.*

No. 178.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 27, 1877.

GENTLEMEN: Your note of the 26th and telegram received. Your opinion is acquiesced in; but on Saturday next, at the close of business, I would like to announce the amount of sales to the end of the fiscal year, and would be pleased if you could send me your telegram by four o'clock, including such subscriptions as, though not perfected, are practically taken. Please advise me if the loan has yet been opened in London, or when it will be opened.

On Monday next I propose leaving Washington for a week or two, and hope to be in New York by the 5th or 6th, when I will see you.

Very truly yours, JOHN SHERMAN, *Secretary.*

Messrs. AUGUST BELMONT & CO., *New York.*

No. 179.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 28, 1877.

SHERMAN, *Washington:*

What amount is there outstanding of 5-20 called bonds and 5-20 bonds act March 3, 1865, consols 1865, called not redeemed in America, less our shipment June 13? This is done at Rothschild's request. Should be pleased to know what amount of 4 per cent. bonds have been subscribed for. Price of silver, 53⅜. CONANT.

No. 180.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 28, 1877.

CONANT, *London:*

Amount outstanding 5-20 called bonds is $21,780,000. No called 5-20 consols of 1865 yet redeemed in America. Subscriptions for 4 per cent. four million two hundred thousand. SHERMAN.

No. 181.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 28, 1877.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of the 11th instant, transmitting a copy of the contract for placing the four per cent. loan. I note what you were pleased to say in respect to enforcing and pressing the agreement as urgently as possible on the part of the government. I said to-day to the Messrs. Rothschild that you were very desirous to have the parties here give you as much assistance in placing this loan as they gave under the contract for the four and one-half per cent. bonds, and they requested me to say to you that you can rely upon it that they will do everything that possibly can be done to make the loan a success.

At their request I sent a cable message to you this afternoon inquiring what amount of called bonds was still unredeemed, and what amount had been subscribed to the four per cent. loan. This information they wanted to guide them in their plans for bringing out the four per cent. bonds. They wish to make it public through the newspapers and in other ways that large subscriptions have been made to the loan at home.

I think that in the course of three or four days they will decide upon the day upon which to open subscriptions. Three to five days is the limit of time in which they usually receive subscriptions. I shall cable to-morrow or on Saturday for a shipment of four per cent. bonds.

I observe that the shipment of specie from New York does not seem to affect the price of gold very much, which is a good indication for the future. I suppose that the gold which is sent out is mostly remitted in payment of called bonds and coupons and to pay dividends on American stocks held here. Inclosed is a printed slip containing the names of various kinds of American securities held here, the interest on some of which was payable June 1, and on others it matures on the 1st proximo. I do not think the list gives any indication of the extent to which our securities are held here. The dividends on a great many of them are collected in New York. Money at the present moment is very cheap. First-class paper is worth two and one-half per cent., but in Paris it commands only one per cent.

It is rumored here that the subscriptions to the four per cent. bonds have reached three and one-half million dollars; if so, it is starting off remarkably well.

We did not expect that heavy subscriptions would be made until within the last few days of closing the same.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 182.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 29, 1877.

CONANT, *London:*

Deliver to Rothschilds $500,000 new 4½ per cent. bonds paid for here.

SHERMAN.

No. 183.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 30, 1877.

CONANT, *London:*

Deliver to Rothschilds $50,000 new 4½ per cent. bonds paid for here.

SHERMAN.

No. 184.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 30, 1877.

SHERMAN, *Washington:*

Please ship three safes as soon as possible 4 per cent. coupon bonds, 500 each, 50s, 100s, 500s, balance 1,000s. CONANT.

No. 185.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 30, 1877.

CONANT, *London:*

Cannot ship three safes and supply subscriptions in America before July 14. Will that answer? Answer desired as soon as possible.

SHERMAN.

No. 186.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *June* 30, 1877.

AUGUST BELMONT & CO., *New York:*

Shall I make call for ten million five-twenties Monday before I leave. Would like to. Have received London order for three safes. We have received subscriptions for 4 % coupon bonds to-day. Answer.

JOHN SHERMAN, *Secretary.*

No. 187.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *June* 30, 1877.

DEAR MR. SECRETARY: I had the honor to receive on yesterday your cable message of the 28th instant, from which it appears that the amount

of called bonds not presented for redemption is $56,780,000, of which amount we have here $5,000,000. The actual amount, therefore, to be redeemed is $51,780,000. As the calls do not mature until August and September, the contracting parties will have an opportunity to secure a great many of the bonds here, which will give them a great advantage in starting off the 4 per cent. bonds.

The public subscriptions at home seem to have commenced well.

In sending a message to-day requesting the shipment of 4 per cent. bonds, I was obliged to ask for three safes instead of a specific amount of bonds for the reason that the bonds differ in size from the 4½ per cent. bonds, being much longer, and I could not therefore determine the amount which could be packed in three safes—which is as large a number of safes as a party of three can conveniently take care of.

I presume that the date at which the 4 per cent. bonds now appear in the debt statement as redeemable will be changed in the next issue of the same.

The money market is very quiet and very easy, with only very moderate transactions of any kind. The possibilities of any European war seem to be very remote indeed. There is a large class here who would like to have England espouse the cause of Turkey. A war with Russia would be quite a popular thing, especially with the lower classes.

Many people are surprised that the German Government offered its 4 per cent. loan at the low figure of 94.

The Imperial Bank of Germany has lost £78,000 in coin during the past week. The bullion in the Bank of France has also decreased £82,000 during the same period, while the Bank of England has gained £210,574 in bullion.

It is said that the English Government will have to borrow a small amount to enable it to meet its obligations maturing next month. This will be done by issuing Treasury bills.

The criticisms upon American railroads are still continued in the newspapers, and very likely it will help the sale of our bonds.

The syndicate has sold all the 4½ per cent. bonds, but they are not all delivered.

The price which they now bring in the market will greatly benefit the 4 per cents.

The bank rate will be forced down next month, which will aid us some.

With great respect, I have the honor to be your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 188.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 2, 1877.

CONANT, *London:*

Deliver to Rothschilds $1,000,000 new 4½ per cent. bonds paid for here.

McCORMICK.

No. 189.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 2, 1877.

SHERMAN, *Washington:*

Contracting parties will answer to-morrow in regard to shipment.

CONANT.

No. 190.

Assistant Treasurer United States at Cincinnati to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, July 2, 1877.

SIR: Referring to your letter of June 26 (initials D. B.) granting authority to receive coin checks drawn by the Treasurer of the United States on account of payment for subscriptions to new 4 per cent. consols, I have to report that I have to-day received one such check, drawn on Assistant Treasurer United States at New York, in favor of Louisa Harboon, for $504.68, which she has used in paying subscription to 4 per cent. consols.

Your letter directs that such checks be "indorsed to the Secretary of the Treasury," which will be done in this case, and I respectfully ask for instructions as to what further disposition shall be made of such checks in the accounts of this office.

I do not understand that the instructions thus far given authorize me to charge such checks to any account by which they may be explained to the department. I have taken it for granted that the instructions referred to do not prevent the making of proper payment to reimburse to subscribers any small amounts in which the face of the check may exceed the sum due for account of subscription to the loan.

Very respectfully, your obedient servant,

A. M. STEM,
Assistant Treasurer United States.

Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

No. 191.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 3, 1877.

SHERMAN, *Washington:*

If shipped by July 14, will answer. Desired as soon as practicable. All 1,000s coupon bonds may be sent if it will facilitate. Rothschild & Sons would be pleased to know amount of subscriptions in America. Fiftieth call under consideration.

CONANT.

No. 192.

Fiftieth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1870.
Department No. 90.
Secretary's Office.

TREASURY DEPARTMENT,
July 5, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 5th day of October, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 11001 to No. 17000, both inclusive	
$100—No. 18001 to No. 29000, both inclusive.	
$500—No. 18001 to No. 27000, both inclusive.	
$1,000—No. 41001 to No. 52000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS.

"*Redeemable at the pleasure of the United States after the 1st day of July*, 1870," *as follows:*

$50—No. 501 to No. 700, both inclusive.	
$100—No. 4901 to No. 6400, both inclusive.	
$500—No. 4351 to No. 5200, both inclusive.	
$1,000—No. 13601 to No. 16500, both inclusive.	
$5,000—No. 4351 to No. 5050, both inclusive.	
$10,000—No. 3701 to No. 4472, both inclusive.	
Total registered	3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is $10,000,000.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

R. C. MCCORMICK, *Acting Secretary.*

No. 193.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *July* 5, 1877.

DEAR MR. SECRETARY: I had the honor to receive on the 2d instant (Monday) your cable message, as follows: "Cannot ship three safes and supply subscriptions in America before July 14. Will that answer?" which I made known to the contracting parties, who suggested that an answer be delayed until the next day, as in the mean time they intended to discuss other matters in connection with the shipment, about which they then thought they might wish to communicate with you. On the 3d instant I sent the following despatch: "If shipped by July 14, will answer. Desired as soon as practicable. All thousands coupon bonds

may be sent if it will facilitate. Messrs. N. M. Rothschild & Sons would be pleased to know amount of subscriptions in America." No answer has yet been received. The reasons why they are in any hurry to receive the bonds are that it will be of great advantage to get a few of them upon the stock exchange at the earliest possible moment, and because when we have the bonds here to deliver it gives them an opportunity to make daily purchases of called bonds and coupons, which they can turn over in payment without locking up capital and without loss of interest. I shall try to induce them to order another shipment to be made about the 21st, so that we may have a sufficient supply on hand. I have advised them to make a call and to continue making calls at regular intervals. Past experience has demonstrated that frequent calls aided materially the sale of bonds. They keep the matter constantly in the public mind by so frequently calling attention to it. The question of a public subscription here has been discussed for at least a week, and no conclusion has yet been reached. The success of the loan at home is doing a vast amount of good here. It has astonished everybody, and it has inspired the contracting parties with greater confidence of success here, and it has had equally as good an influence upon investors and dealers. Money being in but very little demand here, the discount houses notified their depositors yesterday that they should reduce their rates of interest to two per centum, and the Bank of England has to-day reduced its rate to two and one-half per cent. Tenders for £1,639,000 treasury bills were opened at the bank on Tuesday, and it was found that there were applications for twice the amount offered. Awards were made at a discount of a trifle above 2¼ per cent. per annum for six months' bills, and at the rate of 2 per cent. per annum for three months' bills.

This indicates very clearly the belief which prevails here that money will remain cheap for some time. And people here, knowing by the subscriptions which have been made in America, of which they have learnt through the newspapers, that our bonds are worth par or above at home, will purchase them here in the belief that whenever they may have occasion to dispose of them they can sell them to be sent home and realize all they cost. Nine hundred and fifty-three thousand eight hundred and eighty-eight pounds sterling in gold is expected to arrive here from Australia within a few days. There is now no demand here for gold. The return of the Imperial Bank of Germany for the week ending June 30 shows an increase in the circulation of £2,607,600, an increase in the discounts of £2,182,850, a loss in deposits of £733,050, and a loss in bullion of £464,150. These are large changes, and indicate a large demand for money there; but it is thought that the half-yearly settlement may have something to do with the demand, and that undoubtedly quite a large sum of this money may be wanted for investment in the new German Government loan.

The loan offered here and in Paris by the Portuguese Government has not proved a success, only about four-sevenths of it having been subscribed for, and, as the bankers here say, the government has very wisely withdrawn the balance, and is to cancel it. The demand for American cotton will soon be unusually good, as there has been a large falling off in the shipments from Bombay, to the extent, it is said, of 160,000 bales as compared with last year.

With great respect, I have the honor to be your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 194.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 6, 1877.

CONANT, *London:*

Deliver to Rothschilds $300,000 new 4½ per cent. bonds paid for here. Subscriptions for 4 per cent. bonds in America to this date, $10,560,000.

McCORMICK.

No. 195.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 7, 1877.

CONANT, *London:*

Cannot ship more than 5 million 4 per cents on 14th. Shall I send them? Answer desired as soon as possible. McCORMICK.

No. 196.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *July* 7, 1877.

DEAR MR. SECRETARY: I expect to send a cable message to you on Monday to the effect that the 4 per cent. loan will be offered here on the following Wednesday. The Messrs. Rothschild informed me last night that they would consent to offer it at that time unless something unfavorable in the market should occur in the mean time.

As they do not telegraph to New York on the subject until Monday, and as they have not yet prepared the "prospectus," nor agreed upon details; and besides, as some of the other parties advise that nothing be done until after the subscriptions are closed in America, I thought it best to defer sending any message until Monday. I have advised and urged the parties to bring the loan out at once, believing that the market at the present time is favorable for making a commencement, while there may be danger in delay.

It is said that taking a period of twenty years collectively, it has been found that the average rate for money during each year has been the lowest in the month of July.

Money is certainly cheap enough and very plenty at the present time.

All the parties here concede that the beginning ought to be made now, but they differ in their views as to the price at which the issue should be made, in view of the effect which the same might possibly have upon subscriptions in America.

They think that if the bonds were offered at par here it might possibly affect subscriptions at home—especially if they are being made there by any parties who subscribe in the expectation of realizing an advance—and if offered at above par here they think that persons will not purchase at

an advance while the price at home is at par. The Messrs. Rothschild will, I think, be in favor of making the price at par. As soon as a block of these bonds is placed in this market, there will be a demand for them from the continental markets, where money is even cheaper than it is here.

The French election will not take place earlier than September 16. The address which Marshal McMahon has issued to the troops indicates very plainly that he intends to act in opposition to any Republican majority. He has brought the entire power of the government to his aid to secure the election, but it is the general belief that he will be defeated and that the Republicans will succeed. The events which may follow are not likely to occur until after we have made good headway with the loan.

There has been no demand for gold during the present week—and there are large amounts on the way here from Australia. Gold is likely to accumulate here during the next month, which will of course tend to cheapen money. The price of silver will in all probability remain without much change for some time to come. There is not much demand for it, and the ordinary supply during the next month or two will, it is thought, be sufficient to supply the demand without drawing on the reserve held by the German Government. That government is very firm in its price, having fixed it at fifty-four pence, and it will not be likely to make any concessions. The Bank of England has increased its bullion by an addition of £121,942 during the past week, having now a balance of £26,948,330. The bullion in the Bank of France has decreased during the same time £882,000, the amount on hand being £90,150,000. The coin in the "Austrian National Bank," "The National Bank of Belgium," and the "Netherlands Bank," has been reduced by £46,000 during the week; the aggregate amount on hand being £30,470,000. The gold and silver held by the Scotch and Irish banks amounts to £7,985,377. I shall send about $3,000,000 in canceled bonds and coupons by the party leaving here on Thursday next.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 197.

Mr. McCormick to Assistant Treasurer United States at Cincinnati.

TREASURY DEPARTMENT, *July* 7, 1877.

U. S. ASSISTANT TREASURER,
Cincinnati, Ohio:

SIR: Your letter of the 2d instant, asking for instructions concerning the proper disposition of checks drawn by the Treasurer of United States and received by you in payment for subscription to new 4 per cent consols, has been received. In reply, you are directed, after indorsing the checks as directed, to forward them to this office, and to charge their amounts in the Treasurer's general account as a "transfer of funds to Washington."

You will hereafter receive no checks of this character except for the purpose mentioned, and only in amounts not exceeding the payment for subscriptions for which they may be tendered.

Very respectfully, R. C. McCORMICK, *Acting Secretary.*

No. 198.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 9, 1877.

SHERMAN, *Washington.:*

Please ship $5,000,000 4 per cents on 14th. Rothschilds desire me to ask you to send me as soon as possible, that 4 per cents may be quoted on the stock exchange, letter from Secretary stating that the contracting parties are authorized to place them. Copy under seal of law authorizing issue. Notarial declaration of quotations on stock exchange in America.

CONANT.

No. 199.

Assistant Treasurer United States at Cincinnati to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, July 9, 1877.

SIR: I have to state that late in the business day of the 7th instant I was applied to by the Fourth National Bank of this city to receive subscriptions aggregating fourteen thousand dollars to the 4 per cent. consols, and to take in payment therefor the draft of that bank payable in New York.

Having in remembrance your permission given a few days since to receive under similar circumstances the draft of the Third National Bank for $50,000 payable in New York, I ventured to receive the draft for fourteen thousand dollars, and this morning telegraphed for authority which I supposed would cover the transaction.

Your dispatch, just received in answer, declines to give the authority as was given in the former instance referred to, and compels me to ask if it is the desire of the department that I shall demand of the bank the reimbursement of the draft for $14,000 in gold coin here. As this would be a serious inconvenience, I trust I may be granted authority to forward the draft to assistant treasurer New York for collection as a transfer of funds from this office. Hereafter no cause for any such apparent breach of authority shall occur.

Very respectfully, your obedient servant,

A. M. STEM, *Assistant Treasurer United States.*

Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

No. 200.

Mr. French to Assistant Treasurer United States at Cincinnati.

JULY 9, 1877.

UNITED STATES ASSISTANT TREASURER,
Cincinnati, Ohio:

The department cannot authorize the receipt of gold drafts or notes in payment of subscriptions to the loan, except draft as stated in letter of twenty-sixth ultimo.

H. F. FRENCH, *Assistant Secretary.*

No. 201.

Assistant Treasurer United States at Cincinnati to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, July 9, 1877.

SIR: Referring to your letter of the 7th instant (initials E. B. D.), in connection with your letter of June 26 (D. B.), I very respectfully ask the reconsideration of the decision contained in the former letter, last clause, directing me hereafter to receive "no checks of this character except for the purpose mentioned and only *in amounts not exceeding the payment* for subscriptions for which they may be tendered." Taking what I supposed to be the plain intent of your letter of June 26, in answer to mine of June 22, I have assured those who have come to the office desiring to convert their called bonds of 1865, either old or new, into the 4 per cent. consols, that the checks of the Treasurer sent to them for redemption of their called bonds when due would be received by me in payment of the 98 per cent. still to be paid on their subscriptions for new 4 per cent. consols.

Now, it cannot by possibility happen, except very rarely, that the amount of such checks will be *less* than the balance due of 98 per cent. on the new bonds, because the faces of the bonds redeemed and the new ones subscribed for are just equal, and on the latter 2 per cent. has been paid. Now, if in making this settlement I am not allowed to adjust the small differences in cash, the object of the plan will be entirely defeated and subscribers put to the difficulty and expense of buying cash gold in the market with their checks—an exceedingly difficult thing to do—because it is not the custom of bankers here ever to keep large quantities of coin on hand. I am sure it is not the desire of the department to cause any annoyance or loss to bondholders that can possibly be avoided; and it is my own desire to make this office a real accommodation to those who have dealings with it that prompts me respectfully to ask a reconsideration of this decision.

Very respectfully, your obedient servant,
A. M. STEM, *Assistant Treasurer United States.*

The SECRETARY OF THE TREASURY,
Washington, D. C.

No. 202.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 12, 1877.

SHERMAN, *Washington:*

Four per cent. loan brought out here on 10th at £102¾ for $500 bond, which is about par.

Party with canceled securities has sailed to-day by steamer City of Richmond, $8,400,000. CONANT.

No. 203.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, July 12, 1877.

DEAR MR. SECRETARY: I had the honor to send a cable message to you to-day as follows: "Four per cent. loan brought out here to-day at £102¾ for $500 bond, which is about par. Party with canceled securities, $8,400,000, has sailed to-day, &c."

As I stated in my letter of the 7th instant, I expected to have sent the message relating to the placing of the loan on Monday last, but the parties were not then ready to say positively that they would offer the loan to-day. The price of emission is as near par as it can conveniently be made, par being with exchange at 4.88, about £1 02 1/16. The subscription lists are to be kept open for one week.

The subscription price of the 4½ per cent. bonds was £1 03¼ for a $500 bond. Opinions vary greatly as to the amount that will be subscribed. Everything bearing directly or indirectly on the placing of the loan is quite favorable at this time.

The Bank of England made a still further reduction in its interest rate to-day, reducing it to 2 per cent.

The unusually large demand for money in Germany, alluded to in my letter of the 5th, no longer exists, the market there now being quoted as "quiet." Money is cheap in all the markets on the continent as well as here. If no political troubles shall occur, the contracting parties hope to place some of these bonds in France and Germany. I notice in the quotations that exchange in New York has dropped to 4.87½, which is almost as low as the shipping point; and as the cotton bills will soon be available, I take it that but little gold will be sent from that point here for the present at least. Gold is accumulating here, and it is probable that the supply from Australia will meet all demands for the next two or three months.

If liberal subscriptions are made for the 4 per cents it will enable the contracting parties to purchase a great many of the bonds called, but not yet matured, on account of the 4½ per cent. bonds. Notwithstanding the severe criticisms which have recently been made upon our railroad stocks, there has been quite a demand for them during the past few days, and prices have advanced considerably. The Daily Times of yesterday says that if the French and Dutch go on buying as they have been doing for some time they will by and by have possession of all the discredited stocks in Europe. The Dutch seem to consider the rate of interest which securities bear as of more importance than the question of the soundness of the security.

I do not think that our loan is going off with a rush here, but that it will go steadily and continuously I have no doubt. I send by the dispatch-bag to-day $763,350 in called bonds, which completes payments on this side on account of the 4½ per cent. bonds.

I inclose herewith prospectus of the 4 per cent. bonds.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 204.

Mr. McCormick to Assistant Treasurer United States at Cincinnati.

TREASURY DEPARTMENT, *July* 12, 1877.

UNITED STATES ASSISTANT TREASURER,
Cincinnati, Ohio:

SIR: Your letter of the 9th instant requesting a modification of department's instructions of the 7th instant, concerning receipt of United States Treasurer's checks in payment of subscriptions for the new 4 per cent. consols, has been received.

In compliance with your request you are hereby authorized to receive such checks for the purpose mentioned. Those drawn upon other offices than your own should be indorsed payable to the order of the Secretary of the Treasury, and forwarded to this office, and their amounts charged in the Treasurer's general account as a "transfer of funds to Washington."

It is confided to your judgment to adjust the small difference in cash in cases where the amount of the check is slightly in excess of the amount of the subscription to be deposited. If the excess is large, you must decline to receive the check.

Checks drawn on your own office, of course, do not require the indorsement above mentioned, nor should their amounts be treated as a transfer of funds.

Very respectfully,

R. C. McCORMICK, *Acting Secretary.*

No. 205.

Mr. McCormick to Assistant Treasurer at Cincinnati.

TREASURY DEPARTMENT, *July* 12, 1877.

UNITED STATES ASSISTANT TREASURER,
Cincinnati, Ohio:

SIR: I have to acknowledge the receipt of your letter of the 9th instant, stating that on the 7th instant you ventured to recieve from the Fourth National Bank of your city, as a payment of subscription to the four per cent. (4%) consols a draft drawn by said bank, payable in New York, for $14,000, and telegraphed on the following morning for authority which you supposed would cover the transaction, and asking whether it is the desire of the department, it having declined to give the necessary authority, that you demand of the bank the reimbursement of the draft in gold coin; you also state that to make this demand upon the bank would occasion serious inconvenience, and request authority to forward the draft to the United States Assistant Treasurer, New York, for collection as a transfer of funds from your office.

In answer, I have to inform you that in view of the circumstances as stated, the draft referred to may be treated the same as the one previously received by you under similar circumstances.

Very respectfully,

R. C. McCORMICK, *Acting Secretary.*

No. 206.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 13, 1877.

CONANT, *London:*

Deliver to Rothschilds $850,000 new 4½ per cent. bonds paid for here.

McCORMICK.

No. 207.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 14, 1877.

CONANT, *London:*

Party with bonds sailed to-day by steamer City of Chester.

McCORMICK.

No. 208.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, July 14, 1877.

DEAR MR. SECRETARY: Before this letter reaches you, you will have learned of the result of the subscriptions here to the four per cent. loan, so I will not venture any predictions as to the same at this time.

Whatever subscriptions are made will be made on Monday, Tuesday, and Wednesday of next week. Considerable inquiry is being made concerning the loan.

The *Economist*, which is unfriendly to all American securities, gave the loan a "side kick" in its issue of this morning. In the money article in the Standard of this morning an allusion is made to the loan, and an attempt made to show investors that the rate of interest which it bears is too low. On the other hand, the *Financier* commends it; the *Times* and other papers seem to be friendly to it. I have no doubt but that when the loan is fairly upon the market it will be commended by those who would like at the present time to have it prove a failure. Some interesting statistics in regard to the movement of gold appear in the last return of exports and imports of Great Britain, as follows: The imports of gold for the six months ending June 30, 1877, were £7,011,193 as against £9,889,882 for the corresponding period of the preceding year. The United States furnished £1,577,853 of the first-mentioned sum, and £2,634,564 of the last-named amount. The exports of gold to this port from the United States were, therefore, according to this report, £1,066,721 less for the six months ending June 30 last, than for the corresponding period in 1876.

The imports of silver from the United States for the same period were, in 1876, £1,293,851; in 1877, £1,429,717. Germany has just succeeded in selling about $2,000,000 in silver at 54 pence. It was thought a few

days ago that this price could not be realized. Gold bars for coinage have been purchased with the proceeds of the silver. The German Government will now try to advance the price to 54¼ pence.

The Bank of England has gained £730,719 in bullion during the last week, and the Bank of France has lost £1,412,000 during the same period.

Hoping that I may have the opportunity to report that large subscriptions have been made here to the loan,

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

The Honorable JOHN SHERMAN,
Secretary of the Treasury.

No. 209.

Assistant Treasurer United States at Cincinnati to Mr. Sherman.

[Telegram.]

CINCINNATI, OHIO, *July* 14, 1877.

SECRETARY OF TREASURY, *Washington, D. C.:*

Please give me authority to accept First National Bank's checks on New York for subscriptions to new consols.

A. M. STEM, *Assistant Treasurer, United States.*

No. 210.

Assistant Treasurer United States at New Orleans to Mr. Sherman.

[Telegram.]

NEW ORLEANS, *July* 14, 1877.

Hon. SECRETARY OF THE TREASURY, *Washington, D. C.:*

A party proposes to subscribe for one hundred thousand dollars or more 4 per cent. consols and pay in full, if I will sell him the gold at New York rates. If I may sell, please answer to-day.

BENJ. F. FLANDERS,
Assistant Treasurer United States.

No. 211.

Mr. McCormick to Assistant Treasurer United States at New Orleans.

[Telegram.]

TREASURY DEPARTMENT, *July* 14, 1877.

B. F. FLANDERS, *Assistant Treasurer United States, New Orleans:*

You may sell gold to the amount of hundred thousand dollars at New York rates to be used in payment for subscriptions to 4 per cent. loan.

R. C. McCORMICK, *Acting Secretary.*

No. 212.

Mr. McCormick to Assistant Treasurer United States at Cincinnati.

[Telegram.]

TREASURY DEPARTMENT, *July* 14, 1877.

UNITED STATES ASSISTANT TREASURER, *Cincinnati, Ohio:*

Accept subscription and receive checks of First National Bank on New York; send the checks to Assistant Treasurer New York for collection, and deposit to the credit of United States Treasurer as a transfer from your office. You will not credit the Treasurer until you receive the certificates of deposit from New York for the amount.

R. C. McCORMICK, *Acting Secretary.*

No. 213.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 16, 1877.

SHERMAN, *Washington:*

Rothschilds and associates authorizing new call for ten millions to-day. Rothschilds desire me to ask you telegraph amount subscriptions in America when closed; also amount paid in full. Please ship Saturday, 21st, 10,000,000 4 per cent. coupon bonds. CONANT.

No. 214.

Fifty-first call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1877.
Department No. 98.
Secretary's Office.

TREASURY DEPARTMENT,
July 16, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled an "Act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 16th day of October, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 17001 to No. 24000, both inclusive.
$100—No. 29001 to No. 40000, both inclusive.
$500—No. 27001 to No. 34000, both inclusive.
$1,000—No. 52001 to No. 64000, both inclusive.
Total coupon..... 7,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 701 to No. 900, both inclusive.	
$100—No. 6401 to No. 8550, both inclusive.	
$500—No. 5201 to No. 6150, both inclusive.	
$1,000—No. 16501 to No. 19850, both inclusive.	
$5,000—No. 5051 to No. 5900, both inclusive.	
$10,000—No. 4473 to No. 5354, both inclusive.	
Total registered	3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

R. C. MCCORMICK, *Acting Secretary.*

No. 215.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 19, 1877.

SHERMAN, *Washington:*

Subscriptions here $10,200,000. Rothschilds and associates authorize new call for $10,000,000 to-day. CONANT.

No. 216.

Fifty-second call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1877.
Department No. 99.
Secretary's Office.

TREASURY DEPARTMENT,
July 19, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865; will be paid at the Treasury of the United States, in the city of Washington, on and after the 19th day of October, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS *dated July* 1, 1865, *namely:*

$50—No. 24001 to No. 30000, both inclusive.	
$100—No. 40001 to No. 52000, both inclusive.	
$500—No. 34001 to No. 42000, both inclusive.	
$1,000—No. 64001 to No. 75000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS

"*Redeemable at the pleasure of the United States after the 1st day of July*, 18[illegible]0," *as follows:*

$50—No. 901 to No. 1150, both inclusive.	
$100—No. 8551 to No. 10500, both inclusive.	
$500—No. 6151 to No. 7200, both inclusive.	
$1,000—No. 19851 to No. 23000, both inclusive.	
$5,000—No. 5901 to No. 6700, both inclusive.	
$10,000—No. 5355 to No. 7880, both inclusive.	
Total registered	3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

R. C. MCCORMICK, *Acting Secretary.*

No. 217.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, July 21, 1877.

DEAR MR. SECRETARY: On the 19th instant I had the honor to report to you by cable message that the subscriptions to the 4 per cent. loan amounts to $10,200,000, and that Messrs. Rothschild and associates authorize another call of $10,000,000. I did not have an opportunity to write on the same day in regard to the subscriptions, for the reason that the amount was not ascertained until after the hour for closing the mail had arrived.

The amount subscribed was less than I thought it would be, but the contracting parties say that it was as great as could reasonably have been expected in view of the peculiar condition of the market. They think that the market was not quite ready, and express the opinion that the subscriptions would have been much larger if the opening of the books had been delayed one month.

They do not, however, regard the amount as of any particular importance, and look forward to an improving market and expect to make regular and steady sales.

No inducements, of course, were offered to speculators, investors being the class of subscribers they relied on.

The Germans are buying the new Prussian loan (4 per cent.), which they can purchase at about 96 per cent. The Credit Foncier Company of Paris, are now issuing a new loan which offers great inducements. I am informed that many investors here are withholding their money in anticipation of the issue of a loan by the British Government.

Matters at the seat of war have within the past few days been pro-

ceeding with a degree of celerity which indicates, it is thought, that the crisis is near at hand. If the Turks prove obstinate, and the Russians push their invasion on to Constantinople, then it is argued that the British Government must interfere.

To prepare for any such emergency, it has been thought and quite generally believed that Parliament would be asked to give a vote of credit to the government.

I speak of these things in connection with the subscriptions, all of which were made in the course of two days, because they have been mentioned to me as having had their influence upon subscribers. They do not and will not affect the regular sales of bonds to meet current demands for investments.

I sent a cable message to you on the 16th instant as follows: "Rothschild and associates authorize new call of $10,000,000 to-day. They desire me to ask you to telegraph amount of subscriptions in America when closed, also amount paid in full. Please ship Saturday, the 21st, $10,000,000 4 per cent. bonds."

They made the inquiry concerning the amount of subscriptions for the purpose of getting an official statement of the same, and they wished to know the amount paid in full in connection with the question of meeting calls. The Messrs. Rothschild are delivering coupons and called bonds to me in payment for the 4 per cent. bonds which you shipped to me on Saturday last, the 14th instant. They have enough called bonds and coupons on hand to pay for the full amount of the shipment ($5,000,000). They consented to purchase called bonds and coupons and let me have them, and to wait for the 4 per cent. bonds until they should arrive. I was quite anxious to have them collect all the called bonds and coupons that could be purchased, so as to prevent them from being sent home and bringing gold away.

Of course, not having as yet made any sales of the 4 per cent. bonds, they either take this lot on their own account or advance the money they represent as so much capital loaned the syndicate.

The Bank of England return shows a decrease in bullion of £49,565 during the past week. The Bank of France has also lost £547,000 in the same period. The Bank of Germany has gained £108,000.

I infer, from the quotation of New York exchange, that corn and cotton bills have now become available, and that no more shipments of specie will be made from there.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 218.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, July 23, 1877.

DEAR Mr. CONANT: Your latest letter, dated July 12th, is just received, and several letters from you received since I left Washington on recent trip have also been read.

You no doubt have been advised of the result of the popular loan and the present aspect of affairs in the United States growing out of

the railroad strikes. I do not think these strikes will affect the loan injuriously. They may disturb very timid men abroad, but at home they will tend to induce a change of investment from railroad securities affected by the strikes to public securities. Indeed the run of public opinion is all in favor of the loan.

The chief thing to be guarded against, as you properly state in your letter, is a disturbance of the gold market on the transfer of gold either to or from Europe to meet called bonds.

It is of the utmost importance that the syndicate should sell as many bonds in Europe as will be necessary to meet the bonds called there, and to adopt any other measure that will tend to prevent the movement of gold and that will lead to the reduction of price here. A gradual fall of the market value of gold here will not only increase sales of our bonds, but will justify the steps we are taking towards resumption. For this latter object, I have now more solicitude than the success of the loan, which I think is established. The difficulty of resumption will depend greatly upon the steady, constant reduction of the value of gold in the face of its accumulation in the Treasury. I have not purposed to accumulate gold more rapidly than five millions a month, but if the market will warrant, and that accumulation does not make a scarcity in gold here, I may feel justified, later in the year, to make a greater accumulation, always excepting the possibility of interference by Congress.

Very truly, JOHN SHERMAN.

Hon. CHAS. F. CONANT, *London.*

No. 219.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, July 23, 1877.

GENTLEMEN: Advices from London indicate great ease in the money market, a large supply of gold from Australia, and favorable condition of affairs for price of gold here.

Though very much troubled by the strikes, I think the proper course for us is steadily, and at least twice a week, to make calls. If, therefore, I hear nothing by telegram to the contrary to-morrow, I will then make the 53d call.

In my correspondence I notice a good deal of discontent at the advanced rate at which you hold the bonds, and some complaints that reasonable facilities were not given for the subscription of bonds during the thirty days. I hope you will put the bonds so low that sales will not be diminished by reason of the advance above par. The great desire I have is to sell bonds, and your interest would lie in the same direction, for an increase of the amount sold adds to your commission as well as an increase of the rate of commission, and the success of the loan is more dear to you, I know, than the amount of your profits.

Please advise me of the progress of sales in Europe and the effect of the strikes upon the sales here. At this moment I hope the worst is over, but no man can foresee the future in the face of such atrocities as were committed in Pittsburg.

Very truly, yours, JOHN SHERMAN, *Secretary.*

Messrs. AUG. BELMONT & CO.,
New York.

No. 220.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 24, 1877.

SHERMAN, *Washington:*

Party has arrived safely. Did party with 4 per cent. coupon bonds sail Saturday, 21st? Have not received any answer to my cable of the 16th. Rothschilds wish answer, as 53d call now being considered.

CONANT.

No. 221.

Mr. Shermam to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 24, 1877.

CONANT, *London:*

Repeat cable of to-day. Subscriptions to four per cents in America $66,000,000 to 16th July. Party with 4 per cents. sailed Saturday, 21st.

SHERMAN.

No. 222.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 25, 1877.

SHERMAN, *Washington:*

Additions to cipher sent July 7 used yesterday. Rothschilds desire me to ask you amount paid in full, if practicable, on account of the 66 million subscribed for in America. Rothschilds request me to say they desire this information on account of making calls now being considered.

CONANT.

No. 223.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 25, 1877.

CONANT, *London:*

Of the 60,000,000 subscribed for through contracting parties in America, 4,550,000 has been paid in full.

Of the 6,000,000 subscribed for through Treasury Department, 3,750,000 has been paid in full. Deliver to Rothschilds 220,000 four per cent. bonds paid for here.

SHERMAN.

No. 224.

Assistant Treasurer United States, Cincinnati, Ohio, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, July 25, 1877.

SIR: There is such a scarcity of cash gold here that several of the subscribers to the 4 per cent. loan are compelled to purchase coin for their payments in New York. At the suggestion of some such subscribers, I respectfully ask for authority to receive in payment of the balance of 98 per cent. on subscriptions, certificates of deposit issued by the assistant treasurer United States at New York for such amounts of coin as parties here may have so deposited with that office through their correspondents in that city.

It is very desirable that subscribers should, if possible, be assisted to avoid existing difficulties of transportation. The aggregate of the amounts which it would be desirable to use in the method suggested, would, I think, considerably exceed $100,000, but certificates, if issued, should be in such sums as may suit the purposes of the subscribers, from time to time.

Very respectfully, your obedient servant,

A. M. STEM,
Assistant Treasurer United States.

Hon. SECRETARY OF THE TREASURY;
Washington, D. C.

No. 226.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 26, 1877.

SHERMAN, *Washington:*

Rothschilds request me to say that they would be pleased to know, if practicable, how much has been paid into Treasury Department on account of 4 per cent. bonds in addition to the 8,360,000 issued. Reasons by mail. CONANT.

No. 227.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 26, 1877.

CONANT, *London:*

Contracting parties settled for 29,000,000 4 per cent. bonds, besides subscriptions through Treasury Department, of which latter four millions have been paid for. Total paid for 33,000,000. SHERMAN.

No. 228.

Mr. Conant to Mr. Sherman.

NEW COURT STREET, ST. SWITHIN'S LANE,
London, E. C., England, July 26, 1877.

DEAR MR. SECRETARY: On the 24th I had the honor to send a cable message to you in regard to the shipment of 4 per cent. bonds, information desired by contracting parties as to sales in America, &c., copy of which may be found, marked A, on an accompanying sheet. I alluded to this cable in my letter of the 21st, and also gave the reasons therein for making the inquiry, viz: The contracting parties wished to have an official statement of the amount of the subscriptions and to know the amount paid in full in connection with the question of making calls and meeting the same, if necessary, when they matured.

I received your answer in due time (copy marked B), in which you requested me to repeat my cable. I only found it necessary to repeat that portion of it for which I had used a new and additional cipher (copy marked C), (a copy of which I sent to the department, but which I concluded had not reached it). Your answer thereto was received this morning (copy marked D), and at the earliest opportunity to-day I gave the information you imparted to the Messrs. Rothschild. They informed me that the contracting parties were considering the question of reducing the price of the bonds from that at which it had been fixed in New York, $100.50 to $100.25 with the view of meeting your wish to have the sales of the same pressed forward.

They were also considering plans for the future, and the incidental questions arising therefrom, such as what would be the effect on the money market, &c., if a large part of the money for the $66,000,000 4 per cent. bonds subscribed for should be paid into the Treasury before payment should be made therefrom on account of the 6 per cent. bonds called. Also, whether the recent riots at home (of which I presume we have had exaggerated accounts) would have the effect to prevent any of the subscribers from taking bonds, &c., &c.

They accordingly requested me to send you the following message: "Rothschilds request me to say that they would be pleased to know, if practicable, how much has been paid into the Treasury Department on account of 4 per cent. bonds, in addition to the $8,360,000 issued."

The riots at home have had no perceptible effect upon the price of our bonds here. During the past three days the stock market has been wholly inactive—there have been no transactions of any kind.

I am urging the parties to make another call, and I hope they will consent without further delay. A slight change in Eastern affairs will improve the market, and it seems to me that a change must come soon.

I shall deliver all the four per cents I have on hand as soon as I receive the letter containing the key to the combination locks on the safes. The dispatch bag was delayed two or three days, but it is now expected here to-morrow.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

[Inclosure with Mr. Conant's letter of July 26, 1877.]

A.—*Cable message to the Secretary of the Treasury.*

"JULY 24.

"Party has arrived safely. Did party with four per cent. coupon bonds sail Saturday, 21st? Have not received an answer to my cable of sixteenth. N. M. Rothschild & Sons wish answer, as fifty-third call now being considered."

B.—*Message received from the Secretary of the Treasury.*

"JULY 24.

"Repeat your cable of to-day. Subscriptions in America for four per cents to 16th sixty-six millions. Sailed Saturday with fours."

C.—*Message sent to the Secretary of the Treasury in answer to above.*

"JULY 25.

"Additions to cipher sent July 7 used yesterday. Rothschild desire me to ask you amount paid in full, if practicable, on account of the sixty-six millions in America. Rothschild request me to say they desire this information on account of making calls now being considered."

D.—*Message received from the Secretary in answer to this.*

"JULY 25.

"Of the $60,000,000 subscribed for through the contracting parties in America $4,550,000 has been paid in full. Of the $6,000,000 subscribed for through the Treasury Department $3,750,000 has been paid in full. Deliver to Rothschild $220,000 4 per cent. bonds paid for here."

No. 229.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 26, 1877.

CONANT, *London:*

What amount of 4½ per cent. coupon bonds have you on hand, and what amount have you issued? SHERMAN.

No. 230.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 27, 1877.

SHERMAN, *Washington:*

Rothschild and associates authorize new call for $10,000,000. I have on hand $1,879,650 4½ per cent. coupon bonds. I have delivered to date $83,235,350 4½ per cent. coupon bonds. I have delivered to date $5,075,000 4 per cent. bonds. Price of silver 54¼. CONANT.

No. 231.

Fifty-third call.—Redemption of 5.20 *bonds of* 1865.—*Consols of* 1865.

1877.
Department No. 103.
Secretary's Office.

TREASURY DEPARTMENT,
July 27, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, know as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 27th day of October, 1877, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 30001 to No. 40000, both inclusive.	
$100—No. 52001 to No. 66000, both inclusive.	
$500—No. 42001 to No. 50000, both inclusive.	
$1,000—No. 75001 to No. 85000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the* 1st *day of July*, 1870," *as follows:*

$50—No. 1151 to No. 1400, both inclusive.	
$100—No. 10501 to No. 11900, both inclusive.	
$500—No. 7201 to No. 7750, both inclusive.	
$1,000—No. 23001 to No. 25100, both inclusive.	
$5,000—No. 6701 to No. 7300, both inclusive.	
$10,000—No. 7881 to No. 11750, both inclusive.	
Total registered	$3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 232.

Messrs. Belmont & Co. to Mr. Sherman.

New York, July 27, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We have the pleasure to confirm our telegram of this morning communicating Messrs. Rothschild's authority for a new call of ten millions against the same amount of 4% bonds under our contract of June 9, 1877. With regard to the price for the 4% bonds and the remarks on the subject contained in your favor of the 23d instant, we beg to say that we are still awaiting advices from the London associates, and defer further action in the matter till we hear from them. In the mean time, we beg, however, to assure you that we shall do everything in our power to further the funding operations and meet your wishes, though we do not think it would be advisable just at present to lower the price, as the bonds are selling in the market at about par, and a partial reduction would consequently be of no avail, while under exist-

ing circumstances it would have a bad effect on the market and injure operations later.

The Messrs. Rothschild are very anxious for an early settlement of the 4½% accounts, and we take the liberty to request you again to cause them to be made up at as early a day as possible, and oblige,

Yours, very respectfully, AUG. BELMONT & CO.

No. 233.

Mr. Sherman to Assistant Treasurer United States Cincinnati, Ohio.

TREASURY DEPARTMENT, *July* 27, 1877.

A. M. STEM, Esq., *Cincinnati, Ohio*:

SIR: Referring to your letter of the 25th instant, in which you request authority to receive in payment of the 98 per cent. on subscriptions certificates of deposit issued by the Assistant Treasurer United States at New York, for such amount of coin as parties in your city may have deposited with that office through their correspondents in New York, I would state that deposits of the 98 per cent. on subscriptions received at your office may be made with the Assistant Treasurer United States at New York, but that officer should treat them as original deposits and forward the original certificates of deposit to the Loan Division of this office, drawn in favor of the parties who have made the 2 per cent. deposit with you.

The amount deposited in New York will not enter into your accounts, but the arrangement will effect the payment for the bonds which will be forwarded to you for delivery.

Very respectfully, JONN SHERMAN, *Secretary.*

No. 234.

Comptroller of the Currency to Mr. Sherman.

TREASURY DEPARTMENT,
OFFICE OF THE COMPTROLLER OF THE CURRENCY,
Washington, July 27, 1877.

DEAR SIR: I have received your letter of the 23d instant.

In my opinion section 5153 of the Revised Statutes clearly authorizes the employment of the national banks as agents for the sale of the bonds of the United States for coin, and the deposit of the coin received with the banks.

That section provides that all national banking associations designated for that purpose by you shall be depositaries of public money, except from customs, under such regulations as may be prescribed by the Secretary; that they may be employed as financial agents of the government, and shall perform all such reasonable duties as depositaries of public moneys and financial agents of the government as may be required of them. The only kind of government funds which cannot be deposited with them are the "receipts from customs," and the only condition required for the deposit of other funds, whether gold or silver, legal-tender notes, or national-bank notes, is that the Secretary shall

require satisfactory security from such banks as are designated as depositaries "by the deposit of United States bonds and otherwise for the safe keeping and prompt payment of the public money deposited with them and for the faithful performance of their duties as financial agents of the government."

The authority to deposit coin received from the sale of bonds by national banks which are designated as depositaries is confirmed by previous action of the department. In a circular issued by Secretary Boutwell on August 10, 1871, the national banks were given an opportunity to subscribe for bonds for any sum or sums not exceeding fifty millions of dollars. The subscriptions were payable in coin and sixty-two banks were designated as depositaries, and, as I am informed, many millions of dollars of subscriptions were obtained by them, and certificates of deposits of the banks, payable in coin, for large amounts were received by the department in payment for such subscriptions.

I have read the printed communication inclosed in your letter on the subject of "resumption of specie payments," and in my opinion the scheme suggested can be effected under existing law.

If it is thought advisable to dispose of the new four per cent. bonds, for the purpose of obtaining the means for the redemption of legal tender notes in coin, the most effective method for bringing it about would seem to be to employ the national banks, either directly or indirectly, as financial agents, depositing with them the avails of the bonds, thus increasing the reserves of the banks, while the government is at the same time strengthening itself, without the withdrawal of a dollar of coin from the leading monetary institutions of the country.

If the government can increase its supply of coin, and at the same time enlist the leading banking institutions of the country in carrying forward the plans of the Secretary, it will secure such a harmony of interest between the banks and the government as will provide for the ultimate and speedy conversion of legal-tender notes into coin without producing any of the disturbances which usually accompany such monetary operations.

I return herewith the papers inclosed in your letter.

Very respectfully,

JNO. JAY KNOX, *Comptroller.*

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 235.

Mr.. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, July 28, 1877.

DEAR MR. SECRETARY In response to the inquiries made in your cable message of the 26th instant, I had the honor to inform you that the 4½ per cent. bonds issued here amounted to $83,235,350, and that I had on hand and unissued of the same $1,879,650 in coupon bonds. These I shall return to the department by the party which will leave here for home on the 16th proximo. I have on hand some registered bonds which in my judgment ought to be retained here for exchange for coupon bonds. Frequent applications are made to have coupon bonds exchanged for registered, and of course it is in the interest of the depart-

ment to make the exchange, especially when small bonds are exchanged for large ones. On yesterday we exchanged for one party eight fifty thousand dollar registered bonds ($400,000) for coupon bonds mostly of the denomination of one thousand dollars. This transaction, for instance, will not only make a saving in the expense of paying the interest on the bonds, but it insures the keeping of them in this market. There are other advantages which might be enumerated, such as making our bonds more popular by extending the facility of registering, &c.

I delivered yesterday all the four per cent. consols shipped on the 14th instant, $5,075,000, receiving in payment therefor called bonds and coupons.

I predict that our four per cent. consols will, in due course of time, be a favorite bond in this market. They are coming slowly but steadily and surely into favor with investors. Really good and sound securities are not plentiful; on the other hand, they are scarce.

Money is cheap, and it must seek an outlet.

As I remarked in my last letter, the price of our bonds was not perceptibly affected by the riots at home, and it is remarkable that the price of our railway stocks here were so well maintained. A few years ago such a little rebellion, as the rioters' strike may be termed, would have created a panic here among American investors and creditors; but now they have come to know us better, and the severe ordeals which our government has successfully passed has inspired confidence in its stability.

Germany has taken £1,000,000 in gold from this market during the past nine days, all in exchange, of course, for silver sold. The Bank of England had lost £600,187 in gold during the week ending Wednesday, and it has since suffered a further loss by the withdrawal of gold for Germany.

The Bank of France has suffered a diminution of its coin balance of £68,000. Between January 1 and June 1 last the imports of gold coin and bar gold into France exceeded the exports of the same by the sum of £9,005,598. The returns of the foreign trade of France do not show such good results. For the first six months of 1877, as compared with the same period of the preceding year, the imports exceeded the exports by only £1,190,280.

The report of Her Majesty's commissioners of customs on the trade returns for the year 1876 shows that the imports for that year were £118,378,101 in excess of the exports, and 44 per cent. more than the same, which they say is without precedent. This is said to be partly due to bad harvests here, and to the disorganized state of some of the foreign markets. They treat the excess of imports as a proof of the wealth of this country, and reach the conclusion that the excess represents a return home of the profits of British capital invested abroad. They do not find anything consoling in the fact that their exports, especially in manufactures, as compared with the increase in imports, show a decrease of quite a large per cent. It is acknowledged that in some departments of manufacture, foreign (perhaps American) competition is becoming more decidedly felt. England had advantages in the start which we have now undoubtedly become the possessor of. The imports for the six months ending June 30 last were £195,448,403, being £10,338,209 greater than for the corresponding period of the previous year. The exports during the same time were £95,234,130, showing a falling off of £3,975,929. If continued in the same proportions during the remainder of the year, the imports will exceed the exports by nearly $200,000,000. If the old theories about the balance of trade are worth

anything, it seems to me that the present and prospective relations between the exports and imports of this country show a condition of business and trade which certainly does not indicate an era of prosperity.

I am, very respectfully, yours, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 236.

Mr. Sherman to Comptroller of the Currency.

TREASURY DEPARTMENT, *July* 30, 1877.

SIR: Your letter of the 27th is received, and has been fully considered.

It is in the highest degree desirable that the agency of the national banks should be obtained, as far as the existing law and contracts will permit, in aid of the sale of 4 per cent. bonds, and with the view to the resumption of specie payments.

You will, therefore, please correspond with Mr. George S. Coe, the author of the printed plan for the resumption of specie payments, submitted to you, and also with Mr. F. O. French, the writer of the inclosed letter, with a view to receiving from either of them or their associates a definite proposition or plan for carrying into effect these great objects of public policy.

Very respectfully, JOHN SHERMAN, *Secretary.*

Hon. JOHN JAY KNOX,
Comptroller of the Currency.

No. 237.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 31, 1877.

SHERMAN, *Washington:*

Party has arrived safely. Rothschild & Sons would be pleased to know if the interest account on account of contract of August 24, 1876, has been adjusted. CONANT.

No. 238.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 31, 1877.

CONANT, *London:*

Interest account on account of contract of August 24, 1876, not adjusted; last shipment of called bonds and matured coupons not credited and cannot be until examined in the Treasurer's office and certificates issued therefor. Will require three weeks to examine coupons.

SHERMAN.

No. 239.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *August* 2, 1877.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: I wish, of the remaining money due on the four per cent. bonds already subscribed, to apply five millions for the month of September and five millions for the month of October for resumption purposes, and desire this to be kept in view in making calls. I assume that the five millions for August have already been paid.

Please advise me of the amount of subscriptions to the four per cent. loan made since the 16th of July and prior to the 1st of August in this country and also abroad.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 240.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *August* 2, 1877.

CONANT, *London:*

Deliver to Rothschilds $200,000 four per cent. bonds paid for here.

SHERMAN.

No. 241.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *August* 2, 1877.

DEAR MR. SECRETARY: On the 31st ultimo I received the shipment of $10,000,000 4 per cent. consols made on the 21st ultimo.

I have issued $1,053,000 of the same to the Messrs. Rothschild in exchange for called bonds and coupons.

The market here is now extremely dull in every respect, and scarcely any sales are being made of any descripton of stocks. If the price of the 4½ per cent. bonds, of which there are some in the market, could only be advanced about one per cent. it would greatly aid the sale of the four per cent. consols. Ordinarily the price would have been increased since the closing out of the loan, but the peculiar condition of affairs during the past three months has had the effect to keep down the prices of all stocks.

The contracting parties say that they do not expect to make any large sales of the four per cent. consols until about the time when the calls mature, and they hope for an improved market in the mean time. The question whether money is to remain cheap or become dearer, they think will be determined within the next sixty days.

It is now almost certain that the English Government will not require a loan, and we shall not, therefore, have to encounter the difficulties which would embarrass us if the government came into the market to

borrow money. The Chancellor of the Exchequer said in substance to Parliament on Tuesday, that the government would not ask for a vote of credit during the session.

This statement, taken in connection with one officially made by Lord Derby, indicates very clearly and unmistakably the purpose of the English Government not to interfere in the war between the Russians and the Turks. People who have been speculating on the purposes of the government are disappointed.

The balances to the credit of the government are very small, viz:

In the Bank of England	£1,217,816 00
And in the Bank of Ireland	490,995 00
Total	1,708,811 00

A small loan is being offered here by the South Australian Government. The rate of interest is four per cent., and the price of issue is fixed at £96 10*s.* for a £100 bond.

Germany has drawn £200,000 in gold from this market this week, the proceeds of sales of silver.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 242.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *August* 3, 1877.

CONANT, *London:*

Deliver to Rothschilds $250,000 4 per cent. bonds paid for here.

McCORMICK.

No. 243.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *August* 3, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont that they will consent to fifty-fourth call provided associates in America agree. CONANT.

No. 244.

Fifty-fourth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1877.
Department No. 105.
Secretary's Office.

TREASURY DEPARTMENT,
August 3, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 3d day of November, 1877, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 40001 to No. 44000, both inclusive.	
$100—No. 66001 to No. 76000, both inclusive.	
$500—No. 50001 to No. 57000, both inclusive.	
$1,000—No. 85001 to No. 96000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," *as follows:*

$50—No. 1401 to No. 1600, both inclusive.	
$100—No. 11901 to No. 13100, both inclusive.	
$500—No. 7751 to No. 8300, both inclusive.	
$1,000—No. 25101 to No. 27400, both inclusive.	
$5,000—No. 7301 to No. 7650, both inclusive.	
$10,000—No. 11751 to No. 13550, both inclusive.	
Total registered	$3,000,000
Aggregate	10,000,000

The amount outstanding, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners.*

JOHN SHERMAN, *Secretary.*

No. 245.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *August* 4, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Messrs. Rothschild telegraph to us to send to them as soon as possible *a letter* from you authorizing them to receive subscriptions for the 4 per cent. loan and a *notarial copy* of the acts authorizing the bonds, which documents they require in order to have the bonds quoted at the London Stock Exchange, and we beg, therefore, that you will kindly have them prepared and forwarded to us at the earliest possible moment.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 246.

Messrs. Wormser to Mr. Sherman.

NEW YORK, *August* 4, 1877.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

SIR: We have subscribed to 2½ millions of the 4 per cent. government loan, to wit: 1 million with the First National Bank here, and 1½ million with Messrs. J. & W. Seligman & Co., on the terms of what is called popular (public) subscriptions.

Being large dealers in government bonds, it would facilitate our transactions and also prevent the supply of gold in the market from being locked up in the Treasury were you to allow us to deposit with the sub-treasury here an equal amount of 6 per cent. bonds of 1881 and 1867 against receipt of the 4 per cent. bonds, or, as you may not recognize us in this transaction, loan us the gold against these bonds until such time as you may require the gold, when we will be at any time ready to pay it into the sub-treasury against the return of our bonds.

You may refer us in your reply perhaps to the parties of the syndicate, where we subscribed, but then we beg to state that we proposed this same arrangement already, but could not succeed without paying a further bonus for the use of gold.

Very respectfully, I. & S. WORMSER.

No. 247.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *August* 4, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

DEAR SIR: We beg to acknowledge receipt of your favor of the 2d of this month, in which you express the wish that of the remaining money due on the four per cent. bonds already subscribed, five millions for the month of September and five millions for the month of October be applied for resumption purposes. We have informed Messrs. Rothschild of your wishes in this respect, so that they may shape the calls accordingly.

Our subscriptions since the 16th July amount to $88,350—making the total of the subscriptions received by the associates here up to date $60,088,350. We have received no advice of any further subscriptions in London in addition to the $10,200,000 previously reported. Messrs. Rothschild report that they have been buying four per cent. bonds in order to sustain the market, and we conclude from this that they have no further subscriptions. Here the subscriptions are naturally light for the moment, as a good many bonds under inducement of the higher gold premium are being offered in the market. As soon as these are absorbed and gold declines again, we hope, however, to see a renewed active demand for the four per cent. bonds.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 248.

Mr. Conant to Mr. Sherman.

LONDON, ENGLAND, *August* 4, 1877.

DEAR Mr. SECRETARY: Referring to the cable dispatch which I had the honor on yesterday to send to you, viz, "Rothschilds have cabled Belmont that they will consent to fifty-fourth call provided associates in America agree," I have to say that the Messrs. Rothschild not having had any communication whatever from their associates concerning this call, were not only in doubt as to what their wishes were, but somehow they had got an idea that possibly on account of the gold market it was thought best in New York to defer this call one week. They however agreed that the call ought to be made, and telegraphed accordingly.

Keeping in view your wishes, I shall constantly try to impress upon the contracting parties here the importance of pushing funding operations as vigorously as practicable.

In making small calls, and in extending them over quite a period instead of making one call to cover the amount of the subscriptions, I think you have adopted the safest and wisest course for the Treasury.

I have read the two editorials in the New York Tribune under the captions of "A great success and its peril," and "A business crisis." I know that you have studied the subject so long and so carefully, that you have at once a ready and complete answer to all such arguments as those put forth by the writer of the articles named. I think that any danger which may be apprehended by reason of called bonds held here being sent home, in the event of England becoming engaged in the war, and their equivalent in gold being brought over here, is fully met by the *plan* of the calls. The time of the maturity of the same will cover the months of October and November, and any amount of bonds likely to be sent home in any event would, in the natural course of commercial matters, be paid for by cotton, corn, and other exchange bills.

The Eastern question will of course, until settled, have its influence upon the sale of our consols, precisely as it does and will continue to have upon everything else here.

With the enormous amount of capital here for investment, the disposal of our bonds is only a question of time. There has been a decrease of £418,000 in the coin of the Bank of France, of £298,000 in the coin and bullion of the Bank of Germany, and of £387,974 in the Bank of England during the past week.

Accompanying this I send the usual official letters and reports.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

The Honorable JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 249.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, August 6, 1877.

DEAR SIR: Your letter of the 26th ultimo is received. You can safely say to the Messrs. Rothschild that the strikes have been totally discon-

nected with the government, but grow purely out of a contract between the managers of leading lines of railway and their employés as to rates of pay.

The railroad companies have, for several years, competed with each other in a very improvident and reckless way, and are now, and have been for some time, carrying freight at less than cost. This has caused a large reduction of the net income of roads, has led to the loss of dividends, and now to the reduction of wages of employés to rates scarcely sufficient to support life. Hence the strikes.

The government has been appealed to both by railroads and strikers, by States and by cities, for relief, and has promptly extended it in every proper case, and, without shedding blood, has, in every case, suppressed the riot, and maintained the peace, so that the government is really stronger by reason of these unfortunate events than before. I do not observe that any change has been made by them, either in the price of bonds or in the price of gold, nor in the payment of subscriptions to 4 per cent. bonds.

No effort is made to sell the bonds now, nor do I care to press the home market until enough bonds are sold abroad to provide for called bonds abroad.

The month of August must necessarily be a languid one, and I do not advise any unusual effort to force sales.

Your supplemental cipher was received after your telegram, but was soon found and dispatch made out.

Very truly, JOHN SHERMAN, *Secretary.*

Hon. CHAS. F. CONANT, *London.*

No. 250.

Mr. Sherman to Messrs. Wormser.

TREASURY DEPARTMENT, *August* 7, 1877.

Messrs. I. & S. WORMSER: Your letter, of the 4th instant, advising the department that you have subscribed for two and one-half millions of the United States 4 per cent. consols of 1907, through the First National Bank of New York, and Messrs. J. & W. Seligman & Co., and asking that you be allowd to deposit with the Assistant Treasurer United States at New York an equal amount of 6 per cent. bonds of 1881 and 1867, has been received. I reply I have to state that the time specified for making subscriptions directly with the government expired on the 16th ultimo, and the members of the syndicate, under the terms of a contract made with them June 9, 1877, have exclusive control of the negotiation of said bonds.

Under these circumstances I can only refer you to them in regard to a matter over which the department has no jurisdiction.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 251.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., August 8, 1877.

Messrs. AUGUST BELMONT & CO.,
New York:

GENTLEMEN: Your letter of the 7th instant, containing inquiry relative to amount of 4 per cent. bonds taken up to date by the First National Bank of your city, has been received. In reply, I have to state that of your orders ($30,500,000) the amount of $19,011,450 has been issued and payment provided therefor by gold, called bonds, and collateral. We have between three and four million additional requisitions, which are in process of issue, and for which I presume the bank is prepared to pay so soon as they shall have been delivered in New York.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 252.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 9, 1877.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of the 23d ultimo, and to say that I have most carefully noted its contents. I think that it is important alike for refunding and resumption that as many bonds shall be sold here as will equal the amount of called bonds held here, and whatever can be sold in addition will make resumption all the easier. But how much can be done here in that direction cannot, in the present condition of affairs, be determined. The contracting parties inform me that they are not now selling bonds in New York, or in this market, and that in the former place the bonds are a trifle below par. The same condition of things occurred several times during the placing of the 5 and 4½ per cent. loans. As I stated in my letter of the 4th instant, I think that the plan of the calls will prevent any disturbance in the gold market. It hardly seems probable that the condition of the market will continue as it is at the present moment for any great length of time. In the mean time the balance of trade will be greatly in our favor, and if bonds are sent home it is but reasonable to suppose that they will take the place of cotton and corn and other bills. I think that during the past three years at least from thirty to sixty millions in bonds have been annually sent home in this way. I will keep your views and wishes continually in the minds of the contracting parties here.

The reserve in the Bank of England has been diminished lately, and it is thought that the bank rate may be again increased. The imports of bullion (including silver) have been about £1,700,000 less than the exports; while last year they were about £9,000,000 in excess. This change is felt considerably in the money market. Germany has taken, during the last seven months, £5,345,345 in bullion, as against about one million during the corresponding period of last year. The movement

of gold during the past year, at the principal commercial centers, is pretty well shown by a comparison of the bank balances, as follows:

Bank of England, July 26, 1876	£33,037,926
July 25, 1877	27,029,505
Loss	6,008,421
Bank of France, July 27, 1876	83,508,000
July 26, 1877	88,123,000
Gain	4,615,000
Imperial Bank of Germany, July 25, 1876	26,669,000
July 26, 1877	27,206,000
Gain	537,000
Netherlands Bank, July 24, 1876	13,437,000
July 30, 1877	12,546,000
Loss	891,000
National Bank of Belgium, July 20, 1876	5,464,000
July 26, 1877	4,187,000
Loss	1,277,000

The Austrian Bank keeps a fixed balance on hand. I take it that the bullion in the German mint is not carried in the bank balances. It is hardly probable that France will continue to accumulate gold; while we, from the products of our mines, will continue to add to our stock.

With great respect, very truly yours,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 253.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 11, 1877.

DEAR MR. SECRETARY: I did not succeed on yesterday in inducing the contracting parties to authorize the fifty-fifth call. They expressed the opinion that in view of the present condition of the market it would be best to defer making it for a few days. Baron Rothschild is of the opinion that it will not be advisable for the syndicate to attempt to sell any more of the four per cent. consols until they can get control of the market. He says it would be much better policy to purchase the bonds in the way in the market than it would be to sell, even provided they could make sales, until the price of the same shall reach par or above.

He regards it as disadvantageous to future operations to allow any of the consols to be sold at less than par. I presume that the influences which have caused the price of the consols to go below par at home will soon disappear. The feeling during the past week that the war will be prolonged had a depressing effect upon business, and caused a withholding of money from investments. Our 10-40 and 4½ per cent. bonds, however, were quoted at as good if not better prices on yesterday than they were on the 1st of July. The complaint of dullness and stagnation in trade and manufactures is general here and on the Continent.

The principal reason assigned for it is the uncertainty as to the complications which may yet grow out of the Eastern question. That question may have some influence, but I doubt if it is the main cause. The continued export of gold from this country may have an indirect effect upon investments in foreign stocks, just at this time. In my letter of the 9th instant I mentioned that during the year ending July 26th last, the gold balance in the Bank of England had been reduced by the amount of £6,008,421. Later returns show further reductions, and by that for the twelve months ending on Thursday the loss amounted to £7,700,000. The time in which military operations can be carried on in Turkey is, on account of the approaching season of cold weather there, quite limited; and it is very possible that the definite results of the war may be reached within the ensuing two months.

The hoarding of gold by the French Government is undoubtedly an obstacle in our way. The Bank of France has now £87,582,000 in coin on hand. Its note circulation is £97,661,000. As the government is bound to resume specie payments on the 1st of January, 1878, it will not be a great while before some of its gold will be returned to the channels from whence it was taken. We find another obstacle, as a matter of course, in the accumulation of gold by the German Government. I hope that before the calls mature the markets will have improved so that sales of the 4 per cent. consols can be largely and speedily made. I have no doubt that will be the case. I shall call on the parties on Monday, and if they have any suggestion to make or views to offer I will at once communicate the same to you.

I have the honor to be, very respectfully,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, &c.

No. 254.

Mr. McCormick to Mr. Schaehb.

TREASURY DEPARTMENT, *August* 11, 1877.

CARL SCHAEHB, Esq.,
Saint Louis, Mo.:

SIR: Your letter of the 8th instant, inquiring whether assistant treasurers are allowed to receive United States notes in lieu of gold coin at their coin value in payment of 98 per cent. of the 4 per cent. consols of 1907, has been received.

In reply I have to inform you that the officers referred to can receive gold coin only, in payment for subscriptions to the 4 per cent. funded loan.

Very respectfully,

R. C. McCORMICK,
Acting Secretary.

No. 255.

Mr. McCormick to Mr. Conant.

[Cable telegram.]

WASHINGTON, *August* 13, 1877.

CONANT, *London:*

Deliver to Rothschilds $200,000 4 per cent. bonds, paid for here.

McCORMICK.

No. 256.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, August 16, 1877.

DEAR MR. SECRETARY: There has been no change in the market here in any way affecting our four per cent. consols since my letter of Saturday last, except that there is a better feeling concerning them, growing out of the fact that there has been an improvement in the market in New York. The further withdrawals of bullion from the Bank of England and the daily expectation arising therefrom that the bank rate will be advanced, has influenced the money and stock market rather unfavorably for all kinds of stocks; but our bonds of all kinds have been wonderfully steady.

I have had a conversation with the parties to-day. They simply say that we must wait patiently for a little time until the market recovers from its present disturbed condition. When the consols reach par or above in New York we may at once look for an improvement here. None of the 4 per cent. consols have been offered or sold in the market here, so far as I can learn, at less than par. I send by the gentlemen who sail for home to-day about $6,000,000 in called bonds and coupons, and also the unissued 4½ per cent. coupon bonds.

Accompanying this letter are official letters and reports.

I have the honor to be, very respectfully,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 257.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *August* 17, 1877.

SHERMAN, *Washington:*

Party with bonds has sailed to-day by steamer City of Richmond; six million ($6,000,000) canceled securities and $1,800,000 4½ per cent. coupon bonds unissued. CONANT.

No. 258.

Mr. Sherman to Mr. Conant.

MANSFIELD, OHIO, *August* 18, 1877.

DEAR CONANT: You letter of the 4th was forwarded to me here.

I notice what you say about the calls, but you must remember that out of the sales of four per cent. bonds we must provide five millions gold for each of the months of September and October, so that for ten millions of bonds there must be no calls. I should have informed you of this sooner, but neglected to do so before leaving. The parties in New York, and no doubt the Rothschilds, have been advised of it and agree

to it. Until the popular subscription is taken and paid for it will be difficult to press the sale of the four per cents, but I hope in September the sales will commence and be pushed rapidly. The movement of the crops has already commenced. The strike seems to be ended, with a better feeling among laborers, and some advance in freight. The necessity of the trunk lines combining on freight is so clear that it is likely to result in some agreement that will stand.

I made a speech here yesterday, which no doubt will be received by you in the New York papers in due time, and which contains some matters affecting your operations. It is substantially in conformity with the general wish of the administration as to financial affairs, and it might be well for you to call the attention of the Rothschilds to that part of it relating to our loans and the basis of our credit.

I return next week to Washington, where I will again be happy to hear from you.

Very truly, JOHN SHERMAN, *Secretary.*

Hon. CHAS. F. CONANT, *London.*

No. 259.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, Aug. 18, 1877.

DEAR MR. SECRETARY: The contracting parties here say that by reason of the necessity of selling our consols here against any bonds that might be called and held here, they think it best, in the interest of funding operations, that no call should be made this week. The difficulty which presents the greatest obstacle in their minds is the question whether money is to be dearer, and they think it will soon be solved.

The drain of gold from this country has continued all through the week. The stock of gold in the Bank of England, as compared with one year ago, is as follows:

August 17, 1876	£34, 606, 000
August 15, 1877	25, 506, 877
showing a decrease in the year of	9, 099, 123

The reserve shows a large diminution.

At the dates above mentioned it was:

1876	£21, 018, 000
1877	12, 060, 017
The decrease being	8, 957, 983

It is not expected that any gold will be brought here from the United States, while, on the other hand, exchange is so low (the balance of trade being so largely in favor of our country) that if it were not for the greatly reduced amount of bullion held here, gold would be sent from here to the United States.

As I have before stated in a previous letter, I think that what has been done in refunding has been done safely, and I do not believe we shall have any difficulties growing out of gold or exchanges.

It is thought that France cannot take much more gold from this place.

It is reported that the French harvest is generally bad, and that large purchases of grain, &c., will have to be made to make up the deficiency.

The bank has increased its coin by the amount of £922,000 during the week, the amount on hand now being £38,504,000.

Germany is not likely to disturb the money market here. Her operations are managed with a great deal of prudence.

I am glad to learn that the price of our consols has been steadily advancing during the present week in New York market, as it will have an excellent effect upon the market here.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 260.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 23, 1877.

DEAR MR. SECRETARY: I was very glad indeed to receive your letter of the 6th instant. I at once informed the contracting parties of what you had written in reference to the strikes and riots at home. The sale of our bonds has not been directly interfered with on account of the riots. In fact, the occurrence of the riots has almost been forgotten. The London *Times*, of this morning, has, however, revived the subject by printing a letter from its Philadelphia correspondent, in which he says that the strikers, it is evident, are to get into politics through the organization of a party, to be called the "Workingmen's Party"; and he predicts that mischief will come out of it through the control of the State governments which the mob element may gain; and the consequent enactment of bad laws, &c., especially against capital. Another letter is also printed (written by a Mr. Connolly), by which it is made to appear that America is in a terrible financial condition. These two letters are made the subject of an editorial which, on the whole, is not very complimentary to us, nor calculated to improve our credit. The Times of last Monday's date had an editorial on the speech which you made in Ohio on Friday last. I send you a copy, and think, if you can find time, you will rather enjoy reading the article. Nearly all of the English people, as you are aware, believe in the principle of "free trade," and it is but natural that they should, for the reason that England depends upon her great commerce and her markets in every part of the globe for the employment and maintenance of her people. People here think that our protectionist tariffs are not only detrimental to the commercial interest of our country, but that they are of a suicidal character so far as our fiscal policy is concerned. They think, in other words, that it would be vastly better for the real interest of the people of the United States if they would trade more extensively with the people of England. What the Times editor has to say about the balance of trade will amuse you, and yet people talk about the advantages of a balance of trade as being an exploded idea. English interests are laboring to effect a new treaty with France, under which large reductions in duties are proposed.

I note what you were pleased to say in regard to sales of bonds during

the present month. With the price of bonds at the present moment they cannot of course be sold. The parties will find it necessary to use great caution as well as care in managing the market, so as to get control of it. Any attempt to force the sale of the bonds during this, and, I think, next month will only operate to keep the price so low that they cannot be sold at all. I am firm in the belief that the premium on gold will go gradually lower, and the balance of trade in our favor will keep forcing it down.

I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 261.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, Aug. 25, 1877.

DEAR MR. SECRETARY: The position of the money market here has changed but little during the week, and the question of "cheap" or "dear" money is involved in as much doubt now as it was when I wrote to you on the 18th instant. A general feeling prevailed during the early part of the week that money would soon be dearer, and the feeling became much stronger when it became known that gold was being shipped to the United States. The market, however, does not seem to be at all affected by the shipments, the rate for loans being no higher, and money being easily obtained. There is considerable speculation as to the amount of gold that may be withdrawn from the bank for shipment to the United States. The amount already sent this week is £200,000, of which about £50,000 were sent by the Messrs. Rothschild. It is conceded that quite a large amount will be required to meet payments for breadstuffs, the demands for which, by reason of the poor crops here, will necessarily be very large.

France and Germany have taken large amounts of gold from this market; the former having secured £4,600,000 during the last twelve months. It would be quite a serious matter if gold could not be obtained here to supply the place of that sent, and to be sent, to the United States. It is now thought that a sufficient sum of the gold allowed to be taken from here by France can be brought back to take the place of the gold that may be sent to the United States.

The Bank of France is not now issuing notes of any denomination less than one thousand francs. It has been for some months past gradually discontinuing the issue of small notes, and about three months ago it stopped the issue of fifty-franc notes and of all lower denominations. There is now practically specie resumption in France, and, as there has been a diminution in the productions of the country and an increase in its debt to the countries from which articles have been imported, it is taken for granted that considerable of an amount of the gold paid out by the bank will naturally find its way here. From the best judgment I can form I think that money will continue to be plenty and cheap, and that, as soon as investors are convinced that such will be the case, they will come forward and purchase our bonds. It is reported that the amount of old silver in Germany withdrawn from circulation amounts

to £40,941,000. The Imperial Bank of Germany now holds £26,548,000 in coin and bullion, and its circulating notes are £33,850,000. The Bank of France gained £201,000 in coin during the week, and reduced its circulation by the amount of £399,000.

The bank has contracted its circulation during the last nine months at least twelve million pounds. The bullion withdrawn from the Bank of England amounted to £283,718 for the week.

I note with pleasure the decline in New York of the premium on gold, and it seems to me that if no difficulty is met in providing for called bonds, it is reasonable to expect that gold and greenbacks will reach a uniform price, or rather be equivalent, within the next four or five months.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 262.

Mr. Guffy to Mr. Sherman.

MORGANTOWN, KY., *August* 27, 1877.

DEAR SIR: After the greenbacks are redeemed in gold under the resumption law, after January, 1879, is there any law by which they can be again paid out by the Treasury, or are they permanently retired never again to be used?

Suppose that all the greenbacks should be presented and redeemed in gold (which, however, is not likely to be done soon, if at all), and then a national bank should fail and refuse to redeem its notes in gold, would the government, as the law now stands, be bound to redeem such notes in gold, or would it only be bound to sell the bond for whatever amount in gold it would bring, and pay that amount pro rata on the bank-notes?

Your answer to the above will much oblige,

Yours, &c., B. L. D. GUFFY.

No. 263.

Mr. Sherman to the Attorney-General.

TREASURY DEPARTMENT,
August 29, 1877.

Hon. CHARLES DEVENS, *Attorney-General:*

SIR: A question has arisen as to the power of the Secretary of the Treasury, under section 5153, Revised Statutes, to designate national banks as public depositaries of the proceeds of bonds sold under the refunding and resumption acts.

By the refunding act, approved July 14, 1870, the Secretary of the Treasury is authorized to sell bonds of a certain character, at not less than their par value, for coin.

Under the resumption act, approved January 14, 1875, he is authorized to sell similar bonds, at not less than par in coin.

Can the money thus received by the sale of bonds under said acts be

deposited with public depositaries, selected under the national bank act, in pursuance of the authority conferred by section 5153, above referred to?

The question becomes an important one, if it shall be deemed expedient to use the national banks in aid of the refunding of the debt and the resumption of specie payment, and also to prevent an undue accumulation of coin in the Treasury of the United States.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 264.

American Exchange National Bank, New York, to Mr. Sherman.

THE AMERICAN EXCHANGE NATIONAL BANK,
New York, August 29, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: In the negotiation of government loans in this city, great apprehension is felt that the withdrawal of large amounts of coin from commercial uses, and its accumulation in the United States Treasury, will seriously affect the money-market and entail losses upon all purchasers of bonds.

This feeling operates continually as a hinderance to the progress of government negotiations and to the current sale of bonds.

Allow me to ask whether under the law you are permitted to designate this bank or any other responsible national bank a "depositary of public moneys, except receipts from customs," upon giving "satisfactory security by the deposit of United States bonds, and otherwise," and whether you will indicate the kind of security you regard as "satisfactory?" Does the law permit, as part of such security, coin certificates, national bank or legal tender notes?

Your reply to this inquiry at an early day will oblige, sir, very respectfully, your obedient servant,

GEO. S. COE, *President.*

No. 265.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, August 30, 1877.

DEAR MR. SECRETARY: On Tuesday last a further amount of gold (£130,000) was withdrawn from the Bank of England for shipment to the United States, and for the purpose of protecting its stock of bullion the bank immediately advanced its rate to 3 per cent., and also increased the price of American eagles.

Great Britain must obtain from us this season a large supply of breadstuffs and grain, larger than has been required in any one year during several years past, and at higher prices than those heretofore paid, and in the present condition of trade between the two countries gold, to quite an extent, will have to be sent over in payment for these articles.

Therefore, advancing the rate of interest may check for a time, but

will not stop altogether, the shipment of bullion, but it may attract here some of the gold held by the Bank of France. The bank rate does not govern the street rate, and a further advance by the bank, which it is very likely may be made, is not to be considered as indicating that we are to have a dearer money-market. I inquired to-day of Mr. Morgan and the Messrs. Rothschild what they thought of the prospects of making any sales during next month, and their answer was: "Wait patiently for the market to recuperate." I am satisfied that good investment securities are scarce here; that they have been cleared from the market, and that as soon as the question of cheap or dear money is settled sales of the 4 per cent. consols will be resumed. The amount of the sales will of course depend upon which way the question is settled. There were times during the placing of the 5 per cent. and 4½ per cent. bonds when, as you are aware, operations were suspended for quite a time, the condition of the market being such as to prevent anything being done. From semi-official accounts it appears that the famine in India is a very serious affair, and it is quite possible that large sums of money will be required from here with which to purchase supplies.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 266.

The Attorney-General to Mr. Sherman.

DEPARTMENT OF JUSTICE,
Washington, August 30, 1877.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: In answer to yours of the 29th instant I have the honor to say that, by the refunding act approved July 14, 1870, the Secretary of the Treasury is authorized to sell bonds of a certain character at not less than their par value for coin, and that, under the resumption act approved January 14, 1875, he is authorized to sell similar bonds at not less than par in coin, and the question is now presented whether the money received by the sale of such bonds under said acts may be deposited with public depositaries selected under the national-bank act in pursuance of the authority conferred by section 5153 of the Revised Statutes.

That section is as follows:

"All national banking associations, designated for that purpose by the Secretary of the Treasury, shall be depositaries of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary; and they may also be employed as financial agents of the government, and they shall perform all such reasonable duties, as depositaries of public moneys and financial agents of the government, as may be required of them. The Secretary of the Treasury shall require the associations thus designated to give satisfactory security, by the deposit of United States bonds and otherwise, for the safekeeping and prompt payment of the public money deposited with them, and for the faithful performance of their duties as financial agents of the government. And every association so designated as receiver or depositary of the public money shall take and receive at par all of the national-cur-

rency bills, by whatever association issued, which have been paid into the government for internal revenue or for loans or stocks."

By this section it is, therefore, provided that all national banking associations designated by the Secretary of the Treasury for that purpose shall be depositaries of the public money; that they may also be employed as financial agents of the government, and that they are obliged to perform all such reasonable duties, as depositaries of public money and financial agents of the government, as may be required of them. The other provisions of the section are not necessary to be here considered, as they embrace matters of detail as to the mode in which the duties are to be performed.

The provisions of this statute are so explicit that it is hardly susceptible of more than one construction. It permits the Secretary to designate national banks as depositaries with the exception referred to; it authorizes him to employ them as financial agents of the government, and it compels them to perform all reasonable duties as depositaries of public money and financial agents of the government.

As, however, it is not always possible to arrive at the true construction of a single provision without considering the subject-matter to which it refers, and the legislation upon the whole subject, I briefly examine that for the purpose of ascertaining whether the most obvious meaning of the section is its true meaning.

By the act of August 6, 1846, the only depositaries of public money were the Treasurer of the United States, the Assistant Treasurers, and the Treasurers of the Mint and its branches.

No provision was made for other depositaries until the act of February 25, 1863, by which it was provided (sec. 54) "That the Secretary of the Treasury is hereby authorized, whenever, in his judgment, the public interests will be promoted thereby, to employ any of such associations" (national banks) "doing business under this act as depositaries of the public moneys, except receipts from customs." The exception was probably introduced for the reason that at the time of this enactment the only receipts in coin were those from customs duties. This act, by virtue of which national banks were created, was re-enacted on June 3, 1864, with certain important differences; and it is from this latter act that the section 5153 of the Revised Statutes, above quoted, is drawn. While the earlier statute only authorizes the national banks to be used as depositaries of the public moneys, it will be observed that the later statute gives to the Secretary a larger power in reference to that which he may require of the national banks, and imposes upon them the duty of performance. The legislation referred to in its progress therefore seems to contemplate that these banks may be used as financial agents of the government, whenever, and to the extent which, the Secretary deems it expedient to employ them.

In answer to your inquiry, I have, therefore, the honor to say that the Secretary of the Treasury, if he deems it expedient as a matter of administrative policy, may sell bonds under the acts known as the "refunding" and "resumption" acts, depositing the amounts received therefrom with such public depositaries as he may select under the national-bank act, taking such security as is required by the statutes.

Very respectfully, your obedient servant,

CHAS. DEVENS, *Attorney-General.*

No. 267.

Mr. Sherman to American Exchange National Bank, New York.

TREASURY DEPARTMENT, *August* 31, 1877.

PRESIDENT AMERICAN EXCHANGE NATIONAL BANK, *New York:*

SIR: Your letter of the 29th instant has been carefully considered.

I do not doubt the power of the Secretary of the Treasury to designate your bank and other national banks as depositaries of public money derived from the sale of bonds under the refunding and resumption acts, conferred by section 5153 Revised Statutes. This is also the opinion of the Attorney-General, and in proper cases which may arise, when such deposit would promote the execution of the acts referred to, I would exercis that authority.

The security to be required is a matter of discretion upon which I can give no opinion until an actual case arises, but I do not anticipate that any other security would be received except United States bonds and coin certificates, though I do not now decide whether other security would be received.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 268.

The Director of the Mint to Mr. Sherman.

SAN FRANCISCO, *August* 31, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: Mr. McLane, president of the Nevada Bank, sent for me this p. m. and, by direction of Mr. J. E. Flood, requested me to ascertain whether you would consider a proposition for the purchase of about $2,000,000 of fine silver bars, and pay for the same in United States 5 per cent. bonds, the details to be arranged and subject to your approval in case you entertain the proposition. Mr. McLane stated to me that whilst the transaction would be made by and in the name of the bank, the bonds would be taken and held as an investment by Mr. Flood individually.

Without knowing anything in respect to your views as to selling 5 per cent. bonds, I will say that appearances indicate that the price of silver is not likely to fall below 54 pence, and further that silver will no doubt advance in price whenever a demand may again arise for export to the Indies or China; and a further advance would no doubt follow even the partial remonetization of the silver dollar.

The bank requested me to ask you to telegraph your reply.

Very respectfully, your obedient servant,

H. R. LINDERMAN,
Director of the Mint.

The request of Mr. McLane came to me after I had closed and mailed my unofficial letter of current date to you. H. R. L.

No. 269.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, September 1, 1877.

DEAR MR. SECRETARY: The rate of interest in the general market here has been advanced during the present week, the rate for good paper now being 2§ to 2¾ per cent; three-eighths and one-quarter per cent. less than the bank rate. The slight difference between the two rates is due to the fact that the bank rate was advanced one day earlier than the usual weekly day on which action is generally taken, and of course one day earlier than people who had paper for discount anticipated. It is said that the directors became aware that a large amount of bills would be offered for discount on Wednesday, the proceeds of which would be sent away in gold, and that they accordingly took action on the previous day by increasing the rate one per cent., to prevent any withdrawal of gold, leaving the parties having paper for discount the alternative of paying one per cent. more than they had expected, or of going elsewhere for accommodations.

The bank lost £293,940 in bullion during the week ending Wednesday last. No exports have, however, been made since Tuesday. Although the question of how much gold will be required for shipment to the United States must remain undecided for some time, yet the uneasiness about the matter seems to be very much quieted by the feeling that the large stock of gold in the Bank of France can be drawn upon in case the Bank of England reserve should run too low. Trade is sluggish and there is not, therefore any mercantile demand for money, and for this reason it is to be assumed that the rate of interest will depend almost wholly upon the foreign movement of bullion. The condition of affairs is such as to aid us wonderfully in resumption, even if it does not benefit us in refunding.

The silver market is very firm and the price has advanced. This has been caused by the demands in India growing out of the famine; the silver being wanted for the purchase of products in adjacent countries. It is thought that ten million sterling will be required to meet the demands arising from the famine; and as the Indian Government is already greatly embarrassed England will have to aid in the matter. It is probable that Germany will take advantage of the improved condition of the silver market to make further sales.

The Bank of Germany increased its coin and bullion £221,000 last week. England was the scene of quite a "strike" on yesterday, but it was spared the riots and bloodshed that accompanied those which recently occurred at home. Ten thousand cotton operatives at Bolton yesterday left work because of a notification that their wages were to be reduced 5 per cent. A "strike" occurred at this place in September, 1874, when, after a ten days' suspension of business, the dispute was referred to the arbitrament of the judge of the county court who decided against the strikers.

There is a great amount of speculation as to when the war will be brought to a close, but it is generally believed that it will be prolonged for some time. It is believed by a great many well-informed people here that the so-called "triple alliance" is no myth, but that it is in actual

existence. If it be true, then England will never attempt any interference in the matter.

With great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 270.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *Sept.* 7, 1877.

SHERMAN, *Washington:*

Kohr's party with canceled securities has sailed to-day by steamer City of Chester, $1,900,000.

Market quiet.

CONANT.

No. 271.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, Sept. 8, 1877.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt, on Tuesday last, of your two favors dated, respectively, the 18th and 23rd ultimo. I am very glad to learn that the failure to place any bonds at the present time does not disturb you at all. I see nothing in the condition of affairs that is in any way discouraging. The state of the market during the past six weeks, by reason of which bonds could not be sold, has not been unusual. It would naturally follow that after such an immense sale of bonds as that made during the thirty days of the subscription, that until the bonds then sold were distributed in the market and reached the hands of actual investors (instead of speculators) there would be no demand for them. During the time when subscriptions were being made, the demands for bonds then existing—all the bonds the market required up to that time having been supplied from the 4½ per cent. loan,—were not only met but future demands were anticipated; hence at that time there was a supply of bonds put upon the market for future use. It seems to me that the true policy of the syndicate at the present time would be to purchase all the bonds that are in the market that can be obtained at less than par. It is very likely that the amount of the same is comparatively small. Having relieved the market in this way it would soon be in a position to control it. Any bonds sold in excess of the demand for them would depress the market, lower the price, and stop sales for a time. There has been no change in the market here in the past week.

A shipment of half a million dollars in gold has been made to New York.

The import of gold here for the month of August amounted to £996,565, as compared with £2,781,642 for the same month of 1876, and £1,650,412 in 1875. For the eight months ending with August the total importation was ten and one quarter millions, as compared with sixteen millions in 1876, and seventeen millions in 1875. It is very common to hear the

question asked here "In what will the United States take pay from us for grain we must have? Will she buy our goods, &c.?"

There is no doubt that there is here a strong growing feeling of jealousy of our manufactures, and there is perhaps some prejudice against us on that account. If it were not for the fact that we are so heavily indebted here the question of paying us for heavy purchases of grain, &c., would be a serious one to the people here. The Bank of England bullion balance was diminished £147,071 during the week. The Bank of France has increased its coin balance £7,000.

With great respect, yours very truly,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 272.

Mr. Sherman to the Director of the Mint.

[Telegram.]

TREASURY DEPARTMENT, *September* 8, 1877.

H. R. LINDERMAN,
Director of Mint, San Francisco, Cal.

Will not sell five per cent. bonds for any purpose. At present prefer to sell for silver, either four per cents. or gold.

JOHN SHERMAN, *Secretary.*

No. 273.

Mr. Upton to Mr. Guffy.

TREASURY DEPARTMENT, *September* 10, 1877

B. L. D. GUFFY, ESQ.,
Attorney-at-Law, Morgantown, Ky.

SIR: In reply to your letter of the 27th ultimo, making certain inquiries concerning the redemption of legal tender and national bank notes, I have to inform you that under the provisions of the resumption act of January 14, 1875, the Secretary of the Treasury is required on and after January 1, 1879, to redeem in coin all legal tender notes presented for that purpose, and that sections 5229 and 5230, Revised Statutes of the United States provide fully for the payment in lawful money of the circulating notes of national banks which have failed to redeem their circulation as required by law. Copy of the sections mentioned are herewith inclosed for your information.

Very respectfully, J. K. UPTON, *Chief Clerk.*

No. 274.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, September 13, 1877.

DEAR MR. SECRETARY: No change has occurred here in refunding operations since I last wrote. The English market at this time is in a

somewhat excited condition on account of the war news, although very little business is being transacted. People are waiting for the developments of the great battle which commenced on the 6th instant, and is now in progress at Plevna. Peace or prolonged war may be the result of it.

Russia is sure to succeed in the end, and the sooner she wins the better it will be for business and business interests here. The sympathy of the British people is with Turkey.

The question of a further advance in the bank of England rate, for the purpose of protecting its bullion, is now being agitated. The withdrawals of gold for the week ending Wednesday amounted to £271,000.

The Imperial Bank of Germany has advanced its rate, the minimum for discount being fixed at five per cent,, and the maximum for advances on merchandise at six per centum. It is said that quite a large amount of the gold which Germany took away from this market and coined has found its way into France (the great hoarder of gold) in the shape of coin, and that this is the reason for the advance in the rate.

The gold movement may cause the bank rates of interest to be kept at a higher figure, but I see no reason why, with money as plentiful as it now is, we should expect a dear money-market.

The progress being made towards resumption, it seems to me, will compensate for the failure to push refunding operations at the present time. Our people ought now to see that a great many of the difficulties which they thought were insurmountable barriers to resumption are purely imaginary ones.

I hope to see a change soon. I send you to-day a copy of the Daily Telegraph of Tuesday last, also one of Wednesday. The former contains an extract from your speech, and the latter an editorial upon it.

The work of assorting, scheduling, counting, &c., of the canceled bonds and coupons on hand was closed out on Saturday last, and I do not think it probable that we shall receive any further amounts for about two weeks. I furloughed the clerks engaged upon that work. The syndicate would not expect to pay the clerks unless they were employed.

If your speech should be printed in pamphlet form, please send me copies of it.

With great respect, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 275.

Mr. Upton to Mr. Baker.

TREASURY DEPARTMENT, *September* 13, 1877.

DANIEL BAKER, Esq.,
Chief Loan Division, Treasury Department,
Care of First National Bank, New York City:

SIR: The attention of the Secretary has been called to the large amount of United States bonds held by the Assistant Treasurer at New York as collateral for bonds issued to the First National Bank of New York, reaching, by last report, more than thirty million dollars, and he

desires you to call the attention of the bank to the matter, and to insist upon a large reduction thereof at the earliest practicable moment.

You will please report the result of your interview with the bank, and keep me advised of your address during your absence.

Very respectfully, J. K. UPTON, *Chief Clerk.*

No. 276.

Mr. Baker to Mr. Upton.

NEW YORK, *September* 14, 1877.

DEAR MR. UPTON: I received your letter of yesterday this morning. I called at the First National Bank yesterday morning soon after my arrival, and had a conversation in regard to the subject of which you write. Mr. Fahnestock told me then that he had arranged to place in the sub-treasury here half a million of gold per day during the balance of this month, which would amount to $7,500,000, which, together with $5,000,000 gold already there and $4,000,000 matured called bonds, will aggregate $16,000,000 gold paid up for September. It is thought that the market cannot stand a greater drain than this; but as the collateral of the bank, now deposited with Hillhouse, is worth much more than the same amount of gold, I presume they can raise and deposit such an amount as the department may require. It seems to me that they are managing refunding discreetly and keeping gold down. The course pursued now is precisely the same as that which attended the 4½ per cents, and the collateral of the bank is no larger now than at times when that loan was being placed. Mr. Warren will hand you this, and can explain the matter more fully than I can write. I shall leave for Canada to-night, and a letter addressed to Paris Station, Canada West, will reach me until you hear from me again.

Very truly, yours, DANIEL BAKER.

No. 277.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, September 15, 1877.

DEAR MR. SECRETARY: I have during the past few days been canvassing the subject of cheap or dear money, with a view of forming an opinion as to the time when we may expect to recommence sales of the 4 per cent. consols here, but I have not as yet reached any satisfactory result. Opinions upon the subject are very much divided, and on account of the exceptional and peculiar condition of the market it is not strange that it should be so.

Money is from 1¼ to 1½ per cent. dearer here than it was a few months ago. I am trying, among other things, to find out which one of the many reasons assigned is the correct one.

Of course the sale of our consols must depend to a great extent upon

the rate of interest in the money-market. The value of money has advanced nearly 1 per cent. in Germany during the past year. German 4 per cents are worth only about 95 per cent. Money is cheaper in Paris than it is anywhere else at the present time.

There is a rumor here that the value of money in New York is expected to advance to 7 per cent. within a month or two. The bank rate at Berlin is 5 per cent., open market 3¾ per cent., and at Vienna the bank rate is 4½ per cent., and the market rate is 4¾ per cent. Paris bank rate is 2 per cent., and the street rate is only 1⅜ per cent. Here the bank rate is 3 per cent. Six months' trade bills are from 3½ per cent. to 4 per cent., three months' bank bills 2⅞ per cent. Money seems to be very abundant here.

The Bank of England has just declared a dividend at the rate of 9 per cent. per annum.

Our 5 per cent. 10-40 bonds declined ¾ per cent., the 5 per cent. funded fell off ⅜ per cent., and the 4½ per cents dropped ¼ per cent. during the past week, and considerably large sales were made.

There have been no movements of gold beyond the amount taken by Germany. It is said that there is a balance of £2,000,000, due that country on account of silver sold here; a balance that is likely to be called for at any time.

Germany does not seem to be very fortunate in retaining the gold which is brought into that country; France and Belgium managing, in some way, to draw portions of it away.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 278.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *September* 15, 1877.

Hon. JOHN SHERMAN.
Secretary of the Treasury, Washington:

DEAR SIR: We beg to acknowledge receipt of your letter of the 14th, addressed to our Prior, who is at present out of town.

We shall forward the letter to him to-day, and in the mean time beg to say with regard to our payments for resumption purposes that we have thus far paid in gold and matured called bonds, on account of 4 per cent. bonds, $16,000,000 independent of the orders given to the First National Bank.

You have, therefore, sufficient gold from us to cover the amount required for resumption purposes in September.

We would suggest that you cause the gold and called bonds now in the hands of the assistant treasurer here from us, as well as from the First National Bank, to be transferred to the credit of the Treasurer of the United States.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 279.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK,
New York, September 17,.1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C:

SIR: Against total subscriptions for the United States 4 per cent. bonds of say $75,000,000
Calls have been made, including fifty-fourth, for 50,000,000
And resumption sales 15,000,000
65,000,000
Leaving to be adjusted by further call or otherwise 10,000,000
The subscriptions of this bank have reached $30,500,000
In addition to 3,135,600
Taken upon account of other subscribers a total of 33,635,600

With the possibility of a condition of the money markets in which 6 per cent. 5-20 bonds not called can be furnished at par and interest in gold, and until a further call shall be determined upon, will you receive in settlement, from the First National Bank, on account of above-mentioned subscription, from time to time, any United States' 5-20 six per cent. bonds, not called, at par and interest, as contemplated in the proviso of the fourth section of the contract of 9th June, 1877, but not to exceed ten millions of dollars in the aggregate.

With great respect, F. O. FRENCH, *for the Bank.*

No. 280.

Messrs. Morton, Bliss & Co. to Mr. Sherman.

OFFICE OF MORTON, BLISS & CO.,
New York, September 17, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Those whom we represented in the 4½ per cent. syndicate contract wrote to us June 13 they "had learned directly from the Secretary of the Treasury that the ten days' notice required by the contract of August 24, 1876, was not given, and that it was only through your action that the Secretary was permitted to withdraw the $100,000,000 bonds."

Will you oblige us by saying briefly whether this statement is correct?

Yours, very respectfully, MORTON, BLISS & CO.

No. 281.

Mr. Sherman to Messrs. Morton, Bliss & Co.

TREASURY DEPARTMENT, *September* 18, 1877.

Messrs. MORTON, BLISS & CO., *New York:*

GENTLEMEN: Your letter of the 17th instant is received. I never stated to any one that ten days' notice was not given, and that it was

only through your action that I withdrew the $100,000,000 4½ per cent. bonds. It was published to the world and known, I thought, to all mankind, that early in May I had verbally given this notice, and formally given it at a later day, as I stated in my former letter to you.

I can say no more than I did in that letter, which was written with the dates and facts before me.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 282.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *September* 18, 1877.

G. F. BAKER, Esq.,
First National Bank, New York:

SIR: Your letter of the 17th instant, asking whether I will receive uncalled 5-20 bonds and interest in payment of the subscription by your bank to the 4 per cent. loan, is at hand.

I have to reply that the associates have the undoubted right to pay either in called or uncalled bonds, and as but $50,000,000 of bonds have been called, the department will take uncalled bonds in payment of subscriptions to the extent of $10,000,000, but cannot divide it among the associates. You will have to arrange it with each other. Your letter seems to inquire if the department will receive such bonds from the First National Bank to a sum not exceeding $10,000,000.

The department can make no distinction between the bank and the other associates, but will receive uncalled bonds to that amount.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 283.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *September* 19, 1877.

To the Hon. JOHN SHERMAN,
Secretary of the U. S. Treasury, Washington, D.C.:

HONORABLE SIR: From the present state of the market for the bonds of the United States Government, it is quite evident that the syndicate having the control of the 4 per cent. loan will not take any additional bonds under its present contract, and we thought that under existing circumstances you might be induced to place upon the market for the purpose of carrying out the resumption act the undisposed-of balance of one hundred millions 4½ per cent. bonds.

We now desire to submit to you a bid of par in gold for ten millions 4½ per cent. bonds, provided you will give us the privilege to purchase the balance of ninety millions during a period to be agreed upon and at the price we may ourselves realize for them, less a commission of one-half of one per cent. (½ per cent.), *the government in no instance to receive less than par in gold net* for any of the bonds.

We will supplement our proposal in accordance with any suggestion you may desire to make, and if, as we suppose, under existing contracts

with the present syndicate you cannot enter into contracts with others, we will make our subscription to date at the expiration of the syndicate's contract, and then receive and pay for the bonds.

Hoping to hear from you in reply to our proposal at your earliest convenience,

We remain, honorable sir, yours, obediently,

KUHN, LOEB & CO.

No. 284.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT,
September 21, 1877.

Messrs. KUHN, LOEB & CO.:

GENTLEMEN: Your letter of the 19th instant is received.

I am sure you are in error about our not selling the four per cent. bonds under the existing contract, and, therefore, cannot act upon your proposition.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 285.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, September 22, 1877.

DEAR SIR: your interesting letter of the 8th was received. I delayed answering your letter because I had invited the American members of the syndicate to meet me here, and they did so last evening. We had a full and free conversation, the result of which was I requested them to, and they will before you receive this, take out of the market all four per cent. bonds that can be purchased at less than par. This will no doubt be done, and the whole of the $50,000,000 bonds called under the four per cent. subscriptions, and $15,000,000 additional for resumption purposes will be settled for by the 16th of October, when the subscriptions run out. I hope that within the month of October all the subscriptions to the four per cent. bonds made during the thirty days will be settled for.

There were some questions of detail about these matters that were satisfactorily arranged last evening, and I now have hopes that within a few days we may be able to perfect arrangements for the sale of bonds for savings purposes, and for the sale of considerable amounts through the national banks.

The associates have not quite met my expectations in maintaining the price of the four per cents. at par in coin. It looked as if this had been permitted with a view to their purchasing up weak holdings at a discount. If we sell no more bonds until after the 16th of October, we have done more than could reasonably be expected with a four per cent. bond. In November and December I hope the associates will do their utmost to swell their subscriptions to at least $100,000,000, or I shall feel indisposed to renew the contract with them.

The silver question has disturbed the market somewhat, and may, if unwisely decided, suspend further sales; but if, as I hope, silver coin will only be authorized in exchange for United States notes, it will help us and not hurt us.

The enormous crops to be sold and the necessity of drawing bills of exchange on London will probably keep down the price of gold, and I hope will, before Congress meets, make the margin between gold and paper not to exceed two per cent.

It is probable that the demand for currency will soon cause a considerable issue of bank notes, and, fortunately, we have the greenbacks on hand to redeem and cancel without drawing on those in circulation.

Keep me fully advised of matters on your side of the water.

Very truly yours, JOHN SHERMAN.

Hon. CHAS. F. CONANT, *London*.

No. 286.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, September 22, 1877.

DEAR MR. SECRETARY: The expectation which has been common during the past few days that there would be a further advance in the value of money has not been realized. On the other hand, the rates of discount are ⅛ lower than they were one week ago. The advance, if any there is to be, has been deferred for a time.

This market is invariably affected by the condition of the New York market. The announcements repeatedly made in the New York newspapers, and in the circulars issued by the banking firms, that it was expected by the bankers and business men of that city that money would be in great demand to meet Western requirements; that it would be very scarce; that there might be a stringency amounting to almost a panic; that the rate of interest would advance to 6 or 7 per cent., and that by reason of the revival of business and trade generally, it would be permanently continued at that rate, have been reproduced in the papers here and have had their effect. If money should be scarce and dear in New York for any length of time, it would lead to the investment there of the dividends accruing on British capital employed in the United States, but in the present aspect of affairs, here and in Europe, it is very doubtful if high rates of interest would attract original capital there.

I take it for granted that it is the present demand from the interior for money for the purpose of moving the crops that has caused the increase in the interest rate, and that when the object for which the money is required is accomplished, and the money is again returned to the money-centers, that the interest rate will recede, and that money will again be plentiful. I have not supposed that there has been, as yet, such a great revival of trade and business at home as would absorb all the idle and available money in the country, and I have therefore said when inquired of that the present demand for money at home was principally for use in handling the very large crops, and that it was that demand which had, for a time, depressed the prices of our securities at home, and that of course the price *there* affected the price *here*.

It seems to me that just so soon as money can be obtained for the

purpose, the syndicate ought to purchase the surplus 4 per cent. bonds that are in the market, so that advantage may be taken of the first favorable opportunity for resuming sales.

There are, of course, difficulties and obstacles in the way of such resumption of sales, but it does not follow that they are to remain there.

The condition of the money market in New York and the price of bonds there would, at the present moment, be a bar to any operations here, even if there was no difficulty to be met with here.

As I have mentioned in previous letters, there has been and is now a feeling here that money will be scarce and dear. As to whether this feeling rests upon good grounds, people differ very much. It is principally based upon the belief that the drain of gold from this market will be continued. The deficiency in the crop of grain here will have to be supplied from the United States, and it is thought that not less than 48,000,000 bushels of wheat will be wanted. As the wheat will be brought here in English ships, the amount to be paid for it will be its cost in New York, probably somewhere about $62,000,000, against $51,000,000 worth of wheat imported from the United States last year.

It is but natural to expect that our people will buy in proportion to the amount they sell, and that the imports will increase with an increase in the exports. If this proves true, it may happen that the actual amount in gold which will have to be withdrawn from here for shipment against grain will not be so large as to cause the disturbance and scarcity in the market, and consequent difficulty of making payment, that many people have apprehended. The corn, meal, and flour imported into this country from the United States last year amounted to about $51,500,000.

Germany will continue to draw gold from this market, in exchange for silver. In this connection, I will add that the Russian Government, as well as Russian business men, are obtaining gold in the German market, being borrowers there. The Russian loans have principally gone into Holland and Germany.

It is indirectly in this way that the eastern war affects this market. It does not seem probable to me that gold enough will be withdrawn from this market to create a great scarcity of money here and cause it to become very dear.

I do not believe that any revival of business will take place here to an extent that will create a great demand for money and tend to increase its value during the autumn.

The note circulation of the Bank of England is about $1,000,000 less than it was one year ago. This would seem to imply that money was not in great demand. With us, cheaper prices might account for a falling off in circulation, because a less amount of money would be required for business purposes; but here, with the exception of prices of food, prices remain about stationary.

The situation of affairs in France is exciting a good deal of attention. It is a critical time for the new republic. The 4th of October has been finally fixed upon as the day for holding the general election for choosing the new Chamber of Deputies. The "electoral period," so called, begins on the 23d instant and continues for two weeks. During that time, by permission of the government, public meetings can be held for the purpose of hearing arguments and addresses, and for free discussion generally. Immediately following this is a further period of five days in which the public meetings are to be discontinued in order to give the voters opportunity for reflection and for forming their judgments as to

how they ought to vote. It was first thought that in consequence of the death of M. Thiers the Republicans would lose that portion of their strength classed as timid Republicans, and that the present ministry would be supported at the coming election. But it is now thought that the manifesto issued by Marshal McMahon, on the 19th instant, has destroyed his chances of success at the election. In this manifesto he virtually told the French people that they must not choose a Chamber of Deputies who would be opposed to himself and the Senate; that instead of so doing they must select men whose opinions would coincide with his own, and men who would carry out his views. This language has greatly irritated the people.

It is not believed that the Senate will again jeopardize the safety of the republic by consenting to another dissolution of the Chamber of Deputies.

The official trade returns of France show that there has been a general decline in the trade and business of the country. There is also a short supply of breadstuffs there.

There have been no movements of gold during the week.

With great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 287.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *September* 24, 1877.

To the Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington D. C.:

HON. SIR: Your letter of the 21st instant is received. It gives us great satisfaction to learn from you that the syndicate continues to subscribe for the four per cents under the existing contract at par less one-half per cent. (though the bonds are offered in the open market at 98¼ per cent.), and that therefore our proposition made with our letter of the 19th instant cannot be acted upon.

We remain, honorable sir, yours, obediently,

KUHN, LOEB & CO.

No. 288.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *September* 25, 1877.

AUGUST BELMONT & CO., *New York:*

GENTLEMEN: From a more detailed statement than I had when you were in Washington I find that the issues of four per cent. bonds are as follows:

SYNDICATE ACCOUNT.

Amount delivered to associates	$57,932,300
Amount in the hands of assistant treasurer, New York	4,742,550
Amount in the hands of loan division	3,294,900
Total	65,969,750

MISCELLANEOUS ACCOUNT.

Amount delivered	$5,076,550
Amount in hands of assistant treasurer	1,028,950
Total	6,105,500
Total issues	72,075,250

The syndicate account is balanced by payments and collaterals. Those delivered on the miscellaneous account have, of course, been paid for, and those not delivered will be paid for by the 16th of October.

The amount of calls is $50,000,000, and the amount applied for resumption purposes, including October, will be $15,000,000—in all $65,000,000; leaving $7,075,250 for which there has been no call. Besides, you have reported to us $4,230,250 subscriptions for which no bonds have been issued.

I am now inclined to the opinion that we ought by the 1st of October to make another call of $10,000,000, which still will be $1,606,350 less than the bonds actually sold. As the call will not expire until the 1st of January there will be ample time for the collection, adjustment, and application of all outstanding subscriptions, and I am willing to take the risk of selling enough bonds during November and December for resumption purposes.

I submit these figures to you and invite your consent to a call which, aside from the facts above stated, would have a beneficial effect on the sale of bonds.

Inclosed I send you a statement of the account as it stands on our books.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 289.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 27, 1877.

DEAR MR. SECRETARY: Matters here remain pretty much the same as when I wrote to you on Saturday last.

Telegraphic dispatches received from New York state that it is expected that money will be dearer there, and that it is now worth from 4 per cent. to 6 per cent. This, of course, does not have a very good effect. It leads people to think that on that account more gold will be sent from here to the United States in payment for grain than would be likely to be sent if money there was cheaper. People here think that the bank rate will be advanced to, perhaps, 5 per cent.; but if that is done, it will be because the bank cannot protect its bullion in any other way.

The Secretary of State for India has given notice that he will receive tenders, on the 9th proximo, for a loan of £3,000,000, with interest at the rate of 4 per cent. per annum. On account of the issue of this loan, consols, on yesterday, dropped ⅛. It is not yet known whether the money which will be realized from this loan will be sent to India or used to pay Indian indebtedness here. A withdrawal of £3,000,000 from this market at this time would be seriously felt.

There are rumors that the German Government will place another

loan, but nothing definite is known concerning it. That government cannot, I think, dispose of a 4 per cent. loan at a better rate than 95 per cent.

The great strike on the Clyde, which has lasted now about six months, has ended. About 30,000 people were affected by it.

The newspapers here express the opinion that ship-building in the United States has been benefited by this strike. They argue that the American people have taken advantage of the opportunity they have had through the suspension of ship-building here during the last half-year to revive that business there; and they think that our people will retain the business which they have thus secured.

In my letter to you of August 25, I stated that "the Bank of France is not now issuing any notes of any denominations less than one thousand francs. It has been, for some months past, gradually discontinuing the issue of small notes, &c. The bank has contracted its circulation, during the last nine months, at least twelve million pounds."

My authority for the statement in regard to the discontinuance of the small-note circulation, &c., is Mr. Tucker, a Paris banker.

The amount of the contraction of the circulation was published in the newspapers. I notice that some person has addressed a communication to the editor of the "New York Tribune," which was printed in the issue of that journal of the 8th instant, regarding the subject, in which he says that: "So far from having withdrawn circulation to the amount of £12,000,000 sterling, or $60,000,000, and accumulating coin in about the same ratio, the actual withdrawal of circulation has been less than 63,000,000 francs in *twelve months* (say $12,300,000), while the accumulation of coin has been about 115,000,000 francs ($20,000,000) in the same period," &c. He quotes the London Economist as his authority. I have examined the files of that journal, and I find in its issue of August 25, 1875, it is stated editorially, on page 1008, that the note circulation of the Bank of France continues to contract, and has now fallen nearly three hundred million (francs) since the commencement of the year. The following table will show the increase in the circulation of the bank, by months, from June to December, 1876, and the decrease which has been made in the same since January last, a period a few days short of *eight months;* also the cash balance for the same period.

Notes in circulation.

	Francs.	Pounds sterling.	Cash.
1876.			
June 22	2, 397, 831, 095	96, 707, 000	£81, 932, 000
July 27	2, 436, 327, 070	98, 253, 000	83, 508, 000
August 24	2, 432, 132, 570	98, 124, 000	84, 072, 000
September 28	2, 465, 492, 795	99, 413, 000	84, 465, 000
October 26	2, 533, 853, 750	102, 267, 000	85, 307, 000
November 23	2, 546, 209, 620	102, 800, 000	86, 700, 000
December 28	2, 562, 767 935	103, 545, 000	87, 182, 000
1877.			
January 4	2, 660, 991, 095	107, 529, 000	86, 420, 000
August 23	2, 369, 432, 055	97, 104, 000	88, 705, 000

These figures show that there was an increase in circulation up to January 4, and that since that period, a little less than eight months, there has been a contraction of 291,559,040 francs, equal to about £10,425,000 sterling. I did not have any doubt, at the time the state-

ment was made that the contraction amounted to three hundred million francs (or twelve million pounds sterling), that it was absolutely correct; I had no opportunity at the time to test its accuracy.

The writer of the communication, as you will observe, takes a different period of time, viz, one year. He cannot, however, sustain his position as to the policy of the French Government.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary, &c., Washington, D. C.

No. 290.

Mr. Belmont to Mr. Sherman.

NEW YORK, *September* 28, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Referring to our respects of yesterday, we beg now to confirm our telegraphic dispatch of this morning, by which we advised you that Messrs. Rothschild had telegraphed us that they were not disposed to authorize a call at present. We have already expressed to you our own and the associates' opinion on the subject, with which you will have seen that Messrs. Rothschild agree, and we trust it will not conflict with your arrangements to let the matter rest for the present.

We shall have the pleasure to write to you to-morrow about the other matters referred to in our letter of yesterday.

We remain, very respectfully, yours,

AUGUST BELMONT & CO.

No. 291.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, September 28, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Messrs. August Belmont & Co. have communicated to us, with other members of the syndicate, your letter of 26th inst., suggesting a further call, to which they have replied.

Our chief objection to a call at this time is, that it could not secure the early presentation of the bonds called, and therefore would not avoid the further withdrawal of gold from the market, nor expedite the pending settlements.

It occurs to us, however, that we can practically meet your wishes, and at the same time avoid the withdrawal of gold to that extent, by undertaking to deliver to you in settlement of our subscriptions uncalled 5-20's of 1865 to an amount not exceeding $5,000,000. This is now practicable, if the bonds shall be redeemed *as if called under the date* of your letter September 26.

This would at once reduce our account to an amount which we think can be covered into the Treasury, as rapidly as you could desire, without material disturbance of the money market, which it is so important to avoid at this time, in view of the public convenience as well as the future success of the loan.

If this suggestion meets your approval, be good enough to so advise us that we may arrange with Messrs. Belmont to carry it into effect.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 292.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., September 29, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: To avoid the necessity of a call it has been proposed by the First National Bank, and agreed to by me, to pay $5,000,000 uncalled 5-20 bonds of 1865 on account of subscriptions, as if a call had been made for that sum.

I wish that the bank or you would make the same arrangement as to the $2,075,250 4 per cent. bonds now issued and not represented by coin paid for resumption purposes, or called bonds, or this payment of the bank. The total amount of 4 per cent. bonds issued is $72,075,250; $15,000,000 have been applied to resumption purposes, and $50,000,000 called. The balance, $7,075,250, ought to be provided for so as to avoid a duplication of interest inconsistent with the spirit of the contract, and I consider it important that this full adjustment as to the bonds already issued be made promptly, when I will acquiesce cheerfully in your decision about a call.

I note with satisfaction some indications of an advance in the market value of the 4 per cents, and hope by the 16th they will be at par in coin.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 293.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT,
Washington, D. C., September 29, 1877.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of yesterday is received. I accept your proposition to deliver in payment on account of your subscriptions $5,000,000 uncalled 5-20 bonds of 1865. I would prefer also that you would make this $7 075,250, so as to cover the aggregate of 4 per cent. bonds issued in excess of the amount of called bonds and payments for resumption purposes. This would answer all the objects for which I desired a call.

It must be manifest to you that, as the 4 per cent. bonds are now issued

and bear interest, the department should have either gold or bonds paid in, or bonds called sufficient to cover the amount, so as to avoid a duplication of interest.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 294.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 29, 1877.

DEAR MR. SECRETARY: I send you herewith a copy of the "Economist" of this day's issue, in which is published a communication over the signature of N, on the subject of "the resumption of cash payments in the United States at the close of 1878."

I think that almost every one upon reading the article would come to the conclusion that the ulterior object of the writer of it is to find a market for silver in America. I notice that there are some statistical errors in the communication; that in paragraph marked "six" a blunder is made in the statement that the Secretary can only dispose of 4 per cent. bonds to increase his gold reserve; and in paragraph "fifteen" I observe that the writer treats fractional currency and greenbacks as one and the same thing. He says in the same paragraph that the government is to transfer to the national banks so much of the $400,000,000 of greenbacks issued by the Treasury as may remain after a silver token coinage has replaced a very considerable part of them, subject to the condition that after the 1st of January, 1879, they (the greenbacks transferred to the national banks) and the national bank-notes shall be convertible into gold coin. This he states as a part of the process of resumption. I shall try and ascertain who wrote the article, and, if I succeed, shall try to show him the mistake he has made in this particular.

I shall try and send to you next week a rough draft for your approval, of what it seems to me would be a good article to publish here, as a communication concerning resumption, payment of our obligations in gold coin, reduction of debt, excess of income over expenditures, &c.

I would not think of attempting anything of the kind without your approval of it.

On page, 1,149 of the Economist, you will find a very good article on specie payments in the United States. I also inclose herewith the editorial page of the Times of to day, on which you will find an article warmly commending the Southern and civil service policy of President Hayes.

The "Financial Opinion" and the "Financier" have printed communications criticising the proposed introduction by the Post-Office of a "Post-Office note." It is claimed that, in effect, these notes will become currency. I inclose elippings containing the publications.

It is announced from Paris that the city of Naples has obtained a loan there of 60,000,000 francs at 7½ per cent. interest.

The money and stock markets are both very quiet here. No movements of any account of gold have been made within the past few days.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary, &c., Washington, D. C.

No. 295.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 1, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Referring to our respects of the 27th and 28th ultimo, with reference to the suggestion to reach small investors for the four per cent. bonds through the medium of the United States post-offices, we beg now to submit to your kind consideration the following memorandum as to the mode of carrying out the plan in question:

1st. The syndicate to prepare a full descriptive circular of the four per cent. loan, explaining the denominations, the quarterly payments of interest by checks, and other details, so that people not acquainted with business can understand all about this loan.

2d. The above circulars to be forwarded by the Postmaster-General, who we presume would undertake to do so at your request, to every postmaster, with instructions to display the same in his office and to distribute extra copies among people in his locality.

3d. The circular would invite subscriptions by forwarding to any United States sub-treasury or member of syndicate by money order or registered letter the approximate amount in currency. The equivalent bonds with any balance would be returned by registered mail.

4th. If within your authority to sell gold to the syndicate against these subscriptions, say, during October, at a fixed price of 103, the circular could then state a fixed price in currency for the bonds.

5th. If no currency price can be named and approximate amounts are sent, the orders and cash received daily by the sub-treasury officers will be turned over to the syndicate upon substitution by them of the equivalent amount in gold at the rate of gold for the day.

With reference to the fourth and fifth proposition, we beg to add that we do not promise ourselves much success from this plan unless the bonds can be offered at a fixed price in currency, as indicated in section 4, and we would strongly recommend this course if compatible with the respective laws under which the funding operations are made.

We are much obliged to you for the statement of bonds issued, contained in your favor of the 25th ultimo, with reference to which we have only to remark that the exact total of the New York subscriptions up to date is $59,223,300.

The round figure given to you at the time was approximate, and underwent some slight changes when all the detailed returns came in, which please note for your guidance.

We remain, very respectfully, yours,

AUGUST BELMONT & CO.

Messrs. Rothschild are very anxious to receive the final account of the 4½ per cent. loan, and we shall consider it a favor if you kindly cause the interest account to be made up at the earliest possible moment.

T. LUCKE.

No. 296.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 1, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your favor of the 29th ultimo.

We did not understand that the First National Bank had intended to make any proposition on behalf of the syndicate, and which would have the effect of reducing the amount of bonds against which neither call nor appropriation for resumption purposes apply, viz, about $10,800,000.

Our associates here and in London have expressed an unwillingness to have a call made at present against said bonds, and the members of the syndicate here, to whom we have submitted your above letter, do not feel warranted to consent to what would be practically equivalent to a call.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

No. 297.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, October 1, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We received this morning your letter of the 29th ultimo, and after conference with Messrs. Belmont we concluded to meet your wishes as to the additional amount of 5-20s, and prepared a letter to you, undertaking to deliver $7,075,250 5-20s of 1865, not otherwise called, to be redeemed as if called under date of September 26, on account of subscriptions of this bank to the 4 per cent. loan.

After 3 o'clock we were summoned to a conference of the New York associates, in which the matter was discussed at great length, and the conclusion was finally reached, by the other parties in interest, that this settlement would be inconsistent with Messrs. Rothschild's recent communication, declining to authorize a further call. This bank still stands ready to carry out the arrangement, which would greatly facilitate the settlement of the subscription accounts and reduce to a minimum the withdrawal of coin from the New York market, and we shall be glad if a way can be found to effect it without objection from the Messrs. Rothschild.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 298.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *October* 2, 1877.

CONANT, *London:*

Consult N. M. Rothschild & Sons and obtain consent to Secretary of Treasury receiving $7,000,000 5-20 bonds of 1865, uncalled, on account of subscriptions by First National Bank, New York, to 4 per cent. bonds. Consider this very important and favorable to all parties; otherwise, must have gold coin. Answer desired as soon as possible.

SHERMAN.

No. 299.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *October* 3, 1877.

SHERMAN, *Washington:*

In reply to your cable I have to say matter now being considered by N. M. Rothschild & Sons; have pressed it; hope for answer to-morrow. Hope they will consent.

CONANT.

No. 300.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT,
Washington, D. C., October 3, 1877.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 1st instant was duly received.

Inclosed I send you a copy of a letter this day written to Messrs. Belmont & Co.

I am willing to receive $7,075,250 uncalled 5-20 bonds of 1865 on your account, but do not desire to do so without the consent of the contracting parties. If this arrangement is not made, I shall be compelled—to avoid the payment of double interest beyond the limited time during which it can, under the law, be paid—to require of you coin in payment of bonds in excess of outstanding calls.

Please show this to Messrs. Belmont & Co., so that all parties may understand the present situation, and advise me to-morrow. In the mean time I hold your offer of the 1st in reserve, awaiting the consent of the associates to enable me to accept it.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 301.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., October 3, 1877.

Messrs. AUGUST BELMONT & *Co., New York:*

GENTLEMEN: Your two letters of the 1st instant are received.

I am embarrassed by the decision of the associates. You state correctly that about $10,800,000 four per cent. bonds subscribed for are not covered either by call or appropriation for resumption purposes. Still $7,075,250 in excess of either call or appropriation for resumption purposes have been issued on syndicate account and are now drawing interest. The whole sum should be represented either by gold in the Treasury, or called bonds, or uncalled bonds, the interest on which will terminate within ninety days after subscription. Otherwise double interest will be paid in violation of law.

It seems to me clear that the proper thing to do is for the bank, which holds the great body of these bonds, to pay this sum in uncalled 5-20 bonds, and this will meet the substantial requirements of the law. I can see no reason why it should not be done. If not done I will be compelled to require of the bank the coin. It is neither the interest of the government nor of the associates to make any stringency in the coin market, while my object is to secure the stopping of interest on either one or the other class of bonds. I cannot justify to my own conscience the payment of interest on two classes of bonds beyond that limited time within the ninety days made necessary by the provisions of the refunding act, and I therefore desire, in the interest of the government, to accept the proposition of the bank which is now made to me, to pay this surplus of $7,075,250.

As for the amount of subscriptions in excess of the amount of four per cent. bonds actually issued I am indifferent, and am willing to let the question of call run until you desire the bonds.

In the hope that this arrangement could be perfected, I telegraphed Mr. Conant to consult the Messrs. Rothschild. It is not very satisfactory to do this at long distance, nor have I received an answer from Mr. Conant, definitely.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 302.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, October 4, 1877.

Hon. JOHN SHERMAN, *Washington, D. C.:*

DEAR SIR: Rothschilds' cable requests A. B. & Co. to see you and endeavor to arrange the matter, which they evidently do not understand. We think that in an interview it will be readily fixed to meet your wishes, and that they will find there is only one practicable way, namely, that which you and we have conditionally agreed upon.

Very truly, yours, H. C. FAHNESTOCK, *V. P.*

No. 303.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., October 4, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: Your letter of the 1st instant was received, and answer delayed in order that I might fully consider the subject.

As Congress meets on the 15th, I do not care to commence actually entering upon the arrangement until I can consult the leading committees of the two Houses upon my power to fix the price at which I will sell gold during the month. Beside, I do not anticipate any success until the four per cent. bonds are quoted at or about par in the New York market.

Upon the points suggested by you, I approve the first without reserve. As to the second, we can send out the circulars as proposed by you, directly from this department, with the same result as if sent by the Postmaster-General.

As to the third point, in addition to receiving postal orders, I suggest that sight drafts on New York of banks or bankers of established credit be accepted.

Upon the fourth point, I wish to ascertain the feeling of leading members of both parties, and know that you could assist in this matter.

The decision upon the fifth point will depend upon the fourth. I see no objection to it in the contingency referred to.

I have urged the loan division to close the interest account of 4½ per cent. bonds as rapidly as possible, and the acting chief of that division says he is working to the utmost extent.

I again call your attention to the great importance of advancing the market value of the four per cents to par. This ought certainly to be done by the 15th, and I am assured it can easily be done by comparatively small purchases of the loan now forced upon the market.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 304.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *October* 4, 1877.

SHERMAN, *Washington:*

Rothschilds authorize me to say they have been advised by contracting parties in America not to consent to proposal of First National Bank of New York to pay seven million 5-20 bonds act March 3, 1865, consols 1865, uncalled. In view of wish of Secretary of the Treasury, Rothschilds have cabled Belmont to see Secretary of the Treasury at once.

Bank of England rate increased to 4 per cent. CONANT.

No. 305.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, October 4, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We have received your letter of 3d instant, and have shown it to Messrs. Belmont and the other associates.

Messrs. Belmont have received a cable dispatch from Messrs. Rothschild, requesting them to see you upon the subject, and they will write you making an early appointment.

With regard to the amount of 5-20s we shall be able to furnish, you will please bear in mind that a delay of the decision may lose to us control of a portion of the bonds we are now prepared to deliver.

Respectfully,

H. C. FAHNESTOCK, *V. P.*

No. 306.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 4, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to acknowledge receipt of your favor of yesterday, with reference to the proposition of the First National Bank to pay a part of its subscriptions in uncalled 5-20 bonds. After a protracted consultation with all the members of the syndicate, we have come to the conclusion that the only way by which we may be able to come to a satisfactory understanding by which to meet your wishes would be by a personal interview with you on the subject. If, therefore, entirely agreeable to you, the members of the syndicate will have the honor to wait upon you at the Treasury Department on Monday afternoon, the 8th instant, at 6 o'clock, or at any time and place which you may designate.

We remain, yours, very respectfully,

AUG. BELMONT & CO.

No. 307.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, October 4, 1877.

DEAR SIR: Your letter of the 22d ultimo is received. The anticipations of a stringent money market in New York have now, in the main, been dispelled, and there is a sanguine feeling which is more dangerous than the previous one of anxiety.

The effect of free banking is beginning to be perceived. It is easy for old banks to get additional circulation, and new banks to start, so that anything like a stringency in circulation, such as existed in 1873, cannot occur.

We have prepared for circulation by existing banks $70,000,000 ready to be issued upon the filing of the proper security. We have also ample United States notes in the Treasury to be retired, without going into the market to procure them; thus, in case of sudden demand for money to move the crops, or for legitimate purposes, it can he supplied promptly.

Nearly all the anticipated stringency grew out of the demand for money in the West, which in the month of September is the greatest.

This, accompanied with some speculative feeling in New York, did create alarm.

The increased demand for money has had some effect in lowering the market value of the four per cents, but the chief cause of the decline was in the fact that a considerable amount of the subscriptions were made on speculation by weak parties who now cannot meet their subscriptions without a slight loss.

I gather that the associates have a feeling of indifference about this decline, and I feel a certainty that shortly after the 16th the 4 per cent. bonds will, without trouble, rise to par in coin.

It is then proposed, with the consent of the associates, to endeavor to sell bonds for currency equal to par in coin, and to facilitate sales and reach small savings, postal orders and bank checks will be received by the associates, and gold sold to them at an established rate. This purpose is not yet fully developed, but it will probably be put in operation shortly after the 15th, when Congress meets. If so, you will understand the purpose is to establish in this way a practical savings bank for small popular investments.

It would greatly aid us in the further sale of the 4 per cent. bonds if we could establish a market in London for them, even if the sales bear but a small proportion to the sales here, and I trust the associates there will assist in the matter. It was supposed that the associates here would, by purchases, have advanced the four per cents to par in coin by this time, but I infer they think it is as well to let the decline continue until the present subscribers have settled for their bonds, and it may be that some excessive subscriptions by one of their number incline them to delay co-operation until the accounts are settled.

I note what you say about the condition of the money market in New York and London, and you will keep me fully advised of any facts bearing upon the subject. I also note, with interest, what you say about the condition of the French Government, and the trade and production of France. We are so happily situated at this moment that we have great crops to sell; the prices of our manufacturing productions have been so reduced that we can fairly compete with all the world in the leading industries, and really are in a state of great substantial prosperity.

If the syndicate do not avail themselves of these advantages during the period of their contract, I will certainly attempt to do it without them after the 1st of January.

I can easily combine all the national banks and all the bankers in this country upon a plan to fund the 5-20s, and to prepare for resumption.

The leading motive for employing the syndicate was because of their foreign alliances, and if these turn out to be of no service, I certainly will, if I hold this office, try to get along without them.

As a matter of course, this is not used as a threat, nor in any way to be communicated to them, but it is my deliberate conviction of what is best for the United States.

Please continue to send me such clippings from the English papers as you think will be of interest.

Very truly, yours, JOHN SHERMAN.

Hon. CHARLES F. CONANT, *London.*

No. 308.

Fourth National Bank, New York, to Mr. Sherman.

FOURTH NATIONAL BANK,
New York, October 4, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Understanding that deposits are being made by your direction in government deposit banks in this city for resumption purposes, we would respectfully request, as an old depositary of the government, that this bank should share in such deposits.

Please notify us of any additional security to be furnished, and we will supply the same. An early reply will oblige,

Yours, respectfully, ANTHONY LANE, *Cashier.*

No. 309.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 5, 1877.

DEAR SIR: We duly received your telegram of this morning, suggesting that we should come to Washington on Saturday or Wednesday, as on account of engagement on Monday it would not be convenient to meet the members of the syndicate on that day.

We shall accordingly have the honor to wait upon you on Wednesday afternoon at 6 o'clock, and remain,

Yours, very truly, AUG. BELMONT & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 310.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 6, 1877.

DEAR MR. SECRETARY: On the evening of the 2d instant I had the honor to receive your cable message (copy appended hereto marked "A"), requesting that the consent of the Messrs. Rothschild be obtained to have you receive from the First National Bank of New York seven million dollars in uncalled five-twenty bonds, consols of 1865, on account of the subscription of that bank to the four per cent. consols, and stating that you considered it very important that the exchange should be

made, and that it would be favorable to all parties. I called upon the parties at the earliest moment practicable and made your wishes known to them, and also allowed them to read your message. I said to them that under the terms of the contract uncalled bonds could be paid into the Treasury by consent in lieu of called bonds; that it was done in large amounts in 1873; that this payment, if made as proposed, would make a settlement of seven of the remaining ten millions of subscriptions unpaid without disturbing the gold or money market, and that the payment of the balance due, $10,000,000, by the syndicate ought to be made by the 15th instant, eleven days hence. I also said to them that the payment of the seven millions in uncalled bonds would obviate the necessity of making a call for that amount, which would not mature for three months, and thereby remove the difficulties and embarrassments which would naturally follow such an operation as that of taking seven million dollars in gold from the market and locking it up for that period.

I stated to them that in your opinion, which was concurred in by the administration and by our ablest men, that resumption of specie payments was of much greater importance than that of refunding the debt at a lower rate of interest, and that in conducting the financial operations of our government that would be the first object sought to be accomplished. I urged them to take into consideration the fact that the transfer at this time of such a large amount of gold from the market would, in all probability, cause the price of the same to advance two or three per cent. (or, perhaps, more), and that it would at the same time depress the price of the four per cent. consols, and thereby delay both resumption and the sale of the four per cent. bonds.

It occurred to me that if the bank had managed its business with a view of making payment in the manner proposed, or if any emergency had recently arisen, making it impossible to settle in any other way, that you might find yourself embarrassed through the refusal of the Messrs. Rothschild to give their consent as desired, and I accordingly mentioned it to them.

The parties said they wished to consider the matter further, and re-requested me to call again at the close of business of the day. I left them fully impressed with the idea that they would assent to your wishes. Upon calling again, I was informed that they had made certain inquiries by telegraph of Belmont & Co., of New York, but had received no reply, and I accordingly sent a message to you, a copy of which is hereto appended, marked B.

On the following day I had another interview with the Messrs. Rothschild, at which they informed me that they had received a cable message from Belmont (New York), saying that their associates there, with the exception, of course, of the First National Bank and Mr. Morton, whom they consulted here, advised them to withhold their consent.

The reason which they gave me for not at once complying with your wishes was, that in the condition of the market as it now is, and is liable to be during the ensuing two months, it is doubtful whether they could sell bonds for resumption purposes, as required by the contract, and that, therefore, they thought the ten millions should be reserved for that purpose. I suggested to them that it must be inferred from the language of your telegram that the question whether the ten millions should be reserved for resumption had been fully considered by you. I hinted that I had no doubt but if you so desired, the banks would furnish the Treasury with gold for resumption in exchange for bonds (4 per cent. consols). I intimated to them that your wishes in the matter were very strongly expressed, and that I failed to see any good

reason why they should not be carried out. They finally agreed to telegraph Mr. Belmont to go to Washington and confer with you, and to leave the matter open for a few days. I accordingly sent a message to you to that effect, a copy of which is hereto appended, marked C.

From remarks made during the discussion of the subject, and from hints thrown out, it is quite clear to me that the several parties interested were influenced very much by their belief that if payment is made in the uncalled bonds, the First National Bank will gain an advantage by an allowance of three months' interest on them, which the other parties will not participate in. The parties take it for granted that the bank has received the seven million 4 per cent. consols. I shall call upon Mr. Morton on Monday, and try to persuade him to give his consent, and I yet hope that the matter will be satisfactorily arranged this week.

It has been apprehended for some time time past that money would become dearer here, and the advance of 1 per cent. during this week in the rates of discount has not excited surprise. The withdrawal from the Bank of England on Wednesday of £500,000 in gold—£350,000 being in bar gold for Germany, £100,000 in gold coin for New York, and £50,000 in sovereigns for Egypt—led to an advance in the bank-rate to 4 per cent. The bank has lost more than ten million pounds in gold during the past year.

The government received tenders on Thursday last for £3,000,000 treasury bills to run for three and six months.

The allotments were made at an average of 3½ per cent. per annum. Three months ago bills were allotted at the rate of 2 per cent. for three months, and 2¼ per cent. for six months. It is not claimed that there has been any revival of trade or business here to cause a demand for money, and neither is there a scarcity of money. It is the drainage of gold which has caused money to be dearer. So soon as money becomes easier in New York, it will, I think, grow cheaper here.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury,
Washington, D. C.

[Inclosure.]

A.

WASHINGTON, *October* 2, 1877.

Consult Messrs. N. M. Rothschild & Sons, and obtain consent to the Secretary of the Treasury receiving seven million 5-20 bonds, act March 3, 1865, consols of 1865, uncalled 5-20 bonds, old subscriptions by First National Bank of New York to 4 per cent. bonds. Consider this very important and favorable to all parties; otherwise must have gold coin; answer desired as soon as possible.

B.

LONDON, *October* 3, 1877.

In reply to your cable, I have to say matter now being considered by Messrs. N. M. Rothschild & Sons. Have pressed it. Hope for answer to-morrow. Hope they will consent.

C.

LONDON, *October* 3, 1877.

Rothschilds request me to say they have been advised by contracting parties in America not to consent to proposal of the First National Bank of New York, to pay seven million 5-20 bonds, act of March 3, 1865, consols of 1865, uncalled 5-20 bonds. In view of wish of the Secretary of the Treasury, Rothschilds have cabled Belmont to see the Secretary of the Treasury at once. Bank of England rate increased to 4 per cent.

No. 311.

Mr. Sherman to Fourth National Bank, New York.

TREASURY DEPARTMENT, *October* 6, 1877.

CASHIER FOURTH NATIONAL BANK, *New York:*

SIR: In case national banks should undertake the sale of 4 per cent. bonds under the refunding or redemption acts, the application of your bank to become a depositary for that purpose will be considered. The proposition of certain banks to assist in the execution of these laws has not been matured. Until then no action can be taken in the matter.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 312.

Acting Assistant Treasurer United States, Cincinnati, to Mr. Sherman

[Telegram.]

CINCINNATI, OHIO, *October* 10, 1877.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington:

Will subscribers to 4 per cent. consols be allowed to forfeit 2 per cent. deposit and decline further payment? E. R. ANTHONY,
Acting Assistant Treasurer United States.

No. 313.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *October* 11, 1877.

SHERMAN, *Washington:*

Bank of England rate increased to 5 per cent. CONANT.

No. 314.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, England, October 11, 1877.

DEAR MR. SECRETARY: I was very glad indeed to receive your interesting letter of the 22d ultimo. The syndicate, it seems to me, ought not to have allowed the price of the 4 per cent. bonds to go so much below par, if it could possibly have been prevented. It strikes me that it would be greatly to the advantage of the future market if, after purchasing the bonds, which were taken by parties who cannot hold them,

and restoring the price of the loan to par, the syndicate would, say for a period of one month, only make sales to parties whom it was known wanted the bonds for a permanent investment of their money. In this way the price would not only be maintained, but it would naturally grow firmer, and the market would be kept steady. I suppose that the recent developments which have made the public aware of the insecurity of deposits in saving-banks will direct attention to our bonds. I take it for granted that the sales of bonds which you expect to make through national banks are for resumption purposes, for the reason that you will wish to avoid disturbing the gold market by sending gold over here to pay for bonds called and held on this side of the water. A large amount of bonds will, however, go to the United States in payment of bills drawn against grain and cotton.

The Bank of England on yesterday raised its price of eagles ½*d.*—to 76*d.* and 76½*d.*—for the purpose of preventing a shipment of them to the United States, and it is stated that bonds were purchased and sent in lieu of gold. The amount of the sales of the 4 per cent. bonds which have been made up to the present time is something remarkable. It is impossible at this moment to form any judgment as to what the condition of the market here will be during the next two months, or what can be accomplished in selling bonds. The market now is certainly in a very anomalous position. It would be very gratifying to see the subscriptions brought up to $100,000,000 before the end of December.

The progress made towards resumption has fully kept pace with that made in refunding operations. The silver question is a dangerous one to deal with. If the views of the extreme advocates of silver money should unfortunately be adopted by Congress, it will certainly ruin our national credit abroad. I hope we may escape any such misfortune as unwise legislation on this subject would subject us to.

Referring to my letter of the 6th, concerning the payment of uncalled bonds by the First National Bank of New York, I will mention that the Messrs. Rothschild understood from Mr. Belmont that he was to confer with you on Monday last on the subject, but they have not received any advices from him since that day in regard to the matter, and, therefore, do not know what arrangement has been made for settling up the subscription account.

I inclose herewith an advertisement or prospectus of a new Hungarian loan of £8,000,000, which is being placed by the Messrs. Rothschild. You will observe that the price of issue is 83.10 per cent., with interest at 6 per cent. per annum. The *Times* says that the British people will not take it. The credit of the government is not of the best

I inclose herewith an editorial on the Ohio election, which I have cut from the Times of this morning, and which, I think, will interest you. The tendency here is to treat the result of this election as a triumph of inflationists and silver advocates. The action of the Republican convention recently held at Utica, N. Y., has excited considerable comment here.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 315.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 12, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Referring to our conference with you of Wednesday last, we beg now to say that we have had a meeting of the members of the syndicate, and shall to-morrow morning, after hearing from London, telegraph to you our decision with reference to the ten million 4 per cent. subscriptions not already disposed of by calls and for resumption purposes.

We remain, in the mean time, very respectfully, yours,

AUG. BELMONT & CO.

No. 316.

Mr. Sherman to Mr. Meigs, National Bank Examiner.

TREASURY DEPARTMENT, *October* 12, 1877.

CHARLES A. MEIGS, Esq.,
National Bank Examiner, P. O. Box No. 792, New York:

SIR: Your letter of the 29th ultimo, addressed to the Treasurer of the United States, stating that in your examination of the First National Bank of New York the bank had charged against this department certain items named on syndicate account, at the close of business September 22, 1877, and asking whether they are correct, has been received.

In reply I have to inform you that the bank had deposited with the assistant treasurer United States, New York, and in this department, collateral and 4 per cent. bonds of 1907 undelivered on that date, which aggregated $37,838,200.

There is no account here by which all the items in your statement can be checked, as the United States bonds deposited as collateral with the assistant treasurer United States, New York, are given in one item, in his report. The amounts of 4 per cent. bonds, $5,584,950, and gold coin, $4,320,000, as stated in your letter, agree with the account in this office. As there were matured called bonds here which had not been redeemed and credited as a payment, the total of deposits at the date referred to exceeds that named in your letter.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 317.

Mr. Sherman to Acting Assistant Treasurer United States, Cincinnati.

TREASURY DEPARTMENT, *October* 12, 1877.

E. R. ANTHONY, Esq.,
Acting Assistant Treasurer United States, Cincinnati, Ohio:

SIR: I did not deem it advisable to answer your telegram by wire.

The subscriptions made to the four per cent. loan are entirely under the control of Messrs. August Belmont & Co. and their associates. The

government is not authorized to surrender the subscription, but the bonds are selling within one or one and a quarter per cent. of gold, and the proposition made by the subscriber would be an important one for him.

Your answer to him should be that he must make his application to Messrs. August Belmont & Co., New York.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 318.

Mr. Sherman to Mr. Fahnestock.

TREASURY DEPARTMENT,
Washington, October 13, 1877.

DEAR SIR: The question of the repeal of the tax on deposits of national banks will no doubt be submitted at the regular session of Congress. It cannot be at this called session.

I am looking with solicitude to the advance of the four per cents to par in coin, when we will doubtless be able to sell considerable amounts in this country.

Very truly, &c., JOHN SHERMAN.

H. C. FAHNESTOCK, Esq.

No. 319.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 13, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to confirm our telegram of this morning, informing you that the associates agree with you that the remaining $10,800,000 4 per cent. bonds of the public subscriptions, not represented by calls or sales for resumption, shall be reserved for resumption purposes for the months of November and December. The associates also accede to your wishes regarding the interest settlement on so much of the above bonds as have already been issued and not taken up.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

No. 320.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 13, 1877.

DEAR MR. SECRETARY: Mr. Belmont has not yet stated to the Messrs. Rothschild the result of his conference with you with respect to the payment of $7,000,000 uncalled bonds on account of subscriptions, and therefore in the absence of information to the contrary the parties here think that the matter has been in some way satisfactorily arranged.

Mr. Morton has not changed his opinion in regard to the reservation of the $10,000,000 unsettled for, for resumption, as a contingency to meet any emergency that may possibly arise.

On the 11th instant I informed you by cable that the Bank of England had further advanced its rate of interest to five per cent. This rise in the bank rate tends to depress our securities, and it is reported that four and one-half per cent. bonds are being bought here for shipment to the United States against cotton, grain, &c., and it is expected in this way that bullion that would otherwise go there may be retained in this market. I have mentioned once before that the influence of the bank over the value of money is much less powerful now than formerly. With the assistance, however, of money-lenders it can force the rate of interest up by keeping in advance. The street rate may, for a time, be kept within a half of one per cent. of the bank rate. The advance in the present instance has been made as a means of preparing the market for the demands for bullion which hang over it. These demands come principally from America and Germany. The difference in the amount of imports into this country over the exports continues to increase, and it is a subject which is exciting comment and engaging attention; it is in my judgment the difficulty which underlies the money problem at this time. The *imports*, exclusive of bullion, for the year 1876 were £118,378,101 in excess of the exports, and including bullion they were in excess by the sum of £125,968,268. In the year 1867 (ten years prior) they were, exclusive of bullion, only £49,380,608 in excess of the exports, and including bullion they were only greater by the sum of £58,877,138.

During the past nine months the articles of food imported into the United Kingdom were £3,011,000 greater than during the corresponding period of last year, and accordingly the requirements for bullion have been equally larger. Increasing the bank rate may attract gold to this market, but if not in sufficient quantity to meet the requirements, it will tend to depress the price of foreign bonds held here, and cause them to be sent home or into other markets, and in this way the further drain of gold may be stopped.

The demand for money for purely business purposes will not sustain the present rate of interest, the requirements for such purposes being only nominal. If no fresh troubles and difficulties shall be forced upon us through the results of the pending election in France, and if we shall pass by the ensuing month in America without a stringent and embarrassing money market, it is but reasonable to suppose that the money market here will be relieved and that money will then be cheaper. From the fact that the price of six months' paper is ¼ per cent. lower than it is for three months' paper, it must be inferred that in the judgment of business men and bankers money will be cheaper six months hence than it is now. I observe that four per cent. bonds were quoted in the New York market at a lower price on yesterday than has before been the case. I hope it is not on account of any action taken by the syndicate.

I inclose a clipping containing an article on the depression of business here, which is well worth reading.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 321.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
Washington, D. C., October 15, 1877.

Messrs. AUGUST BELMONT & Co.,
New York:

GENTLEMEN: Referring to the second paragraph of your letter of the 13th instant, which advises me that the associates accede to my wishes regarding the interest settlement, I submit the following statement:

Four per cent. bonds of 1907, issued to—		
September 24, 1877, bearing interest from July 1, 1877		$72,075,250
September 26, 1877, issued (A. Belmont & Co.)		100,000
Total		72,175,250
Issues of 4 per cent. bonds of 1907 against 50th @ 54th calls.	$50,000,000	
Issues of 4 per cent. bonds for resumption purposes to October 31, 1877	15,000,000	
		65,000,000
Excess		7,175,250

I have to advise you that your interest account for 4 per cent. bonds, consols of 1907, has been charged $71,752\frac{50}{100}$, being 1 per cent. or three months' interest to October 1, 1877, on $7,175,250, the amount of said bonds issued in excess of calls for United States 5.20 bonds for redemption, and those issued for resumption purposes during the months of August, September, and October, 1877.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 322.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK,
New York, October 15, 1877.

MY DEAR SIR: In answer to closing paragraph of your note of Saturday, I write to say that for the first time since close of the subscriptions the 4s seem to have touched bottom, and I am very hopeful that we shall now be able to steadily advance the price to par. To-day we have bid them up to 102⅛ against gold 3⅛. A week ago with gold the same they were 101⅛, and it really looks as if the speculative subscriptions have been nearly all absorbed. When they are quite out of the way, investment-buying will soon mark up the price to where it should be. We may have some reaction from this advance, but I think you may safely look for steady improvement.

The whole market for government bonds in London and New York has entirely changed in tone since Mr. French saw you last week, and I can see no good reason why we should not have during the remainder of the year the movement we always look for at this season—investment-buying and higher (gold) prices.

Yours, very truly, H. C. FAHNESTOCK.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 323.

Assistant Treasurer United States, Cincinnati, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STALES,
Cincinnati, Ohio, October 17, 1877.

SIR: The following-named subscribers to 4 per cent. consols at this office having failed to pay the 98 per cent. balance due on their subscriptions, within the time specified in your letters to this office, I am requested to ask if any arrangement can be made by which they can still be permitted to pay the balance (98 per cent. and interest from July 1) and receive their bonds.

J. Taft paid $10, being 2 per cent. on $500.
N. Summerbill paid $6, being 2 per cent. on $300.
J. P. Bauer paid $16, being 2 per cent. on $800.

Very respectfully, your obedient servant,

A. M. STEM,
Assistant Treasurer U. S.

HON. SECRETARY OF THE TREASURY,
Washington, D. C.

No. 324.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, October 18, 1877.

DEAR CONANT: Your letter of the 6th instant, giving an account of your conversation with Messrs. Rothschild as to the ten millions of subscriptions not covered by calls, or coin for resumption purposes, is received.

I should have sooner written you fully the explanation of the satisfactory settlement made of this matter.

Upon meeting with the associates some time since, it was found that the actual amount of bonds issued to them was $72,075,250. These bore interest from the 1st day of July, but as they had not been issued to the associates until during July, August, and September, interest was charged to them until ordered.

The calls did not mature until during the month of October, during which interest was also accruing on the called bonds.

As the account was made up interest would thus continue to accrue on $7,075,250, on bonds that had neither been paid for nor for which calls were made, and this I held to be in violation of the law, and therefore demanded that this seven millions should be paid for either in called or uncalled 5-20 bonds, or in gold.

The First National Bank, the subscriber to most of these bonds, was willing to surrender uncalled bonds as if called on the 26th of September, about the date when the last bonds were delivered to them, and this seemed to me reasonable, but it was met by the decided opposition of the other associates; precisely why, it was not for me to either inquire or infer.

As a matter of course the interest of the government was advanced by the proposed surrender of uncalled bonds, which accomplished directly the object of the refunding act, and the refusal of the associates

compelled me to call for the gold, which could only be taken from the market by the banks to the injury of the general market, and with great danger that it might create a stringency and an advance in the price of gold.

My only object in making the demand was to prevent even a seeming violation of the law in paying interest on four per cent. bonds, as well as upon uncalled six per cent. bonds.

The whole matter was finally, after full conference, settled by the associates being charged with the amount of interest accruing on the 1st of October, on $7,075,250 four per cent. bonds, and all unpaid subscriptions in excess of existing calls were to be paid for in coin for resumption purposes.

This will secure to us five millions a month for resumption during November and December, and yet will keep us within the strict provisions of the law.

I am thus particular to advise you of this settlement, as it gave me a good deal of solicitude, and perhaps evinced a disposition to be strict and harsh with the associates.

The desire of the department is simply to enforce the law and observe the contract without favor or partiality, and without any wish to embarrass or cripple the operations under the contract.

If occasion offers and you think it advisable, you can explain to the London parties the reason for my telegram to you, and my satisfaction with the settlement made by the surrender of interest as above stated.

You will observe that the price of four per cent. bonds is now about par in coin, and the time is soon at hand when we will commence again the sale of them in small sums in exchange for postal orders, drafts, &c.

Very truly, &c., JOHN SHERMAN.

Hon. CHAS. F. CONANT, *London*.

No. 325.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 18, 1877.

DEAR MR. SECRETARY: The price of money here during the past two days has receded. Three-months' paper was discounted on yesterday at about 4 per cent., while six-months' paper was negotiated at about 3½ per cent. This points in the right direction. The market is still very sensitive, however, and the withdrawal of £200,000 of bullion, say, for America, would cause the bank rate to be advanced to 6 per cent. People have for some time past been anticipating that money would be dearer. It now looks as if they would be disappointed. A better and more hopeful feeling now prevails as to the future price of money. From the quotations of gold and bonds in the New York market during the past three days, I judge that there is a better feeling there, and that the apprehensions as to a stringency in the money market, with dear money, are passing away. The prices of our securities here are governed by the prices of the same in New York. It seems to me that if the evident improvement which is now taking place should be continued during the ensuing two weeks, we may almost expect to find a market again for our four per cent. consols at the end of that time. The

result of the election in France is a crushing defeat of Marshal Mac Mahon. The people there have shown a determination to abide by the republic and a parliamentary government. The feeling just at this moment is that no political troubles or embarrassments need be apprehended; that the unmistakable wishes of the people of France will be respected by the marshal. One of the elements that has disturbed the market is therefore now out of the way. We have all sorts of rumors of the intended introduction of so-called silver bills. A dispatch came to the Times, on yesterday, to the effect that Senator Beck, a Democrat, had introduced a bill authorizing the payment of 50 per cent. of the customs duties in greenbacks; that it had been referred to the Finance Committee, but not being approved by the government, it will not soon be debated.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 326.

Mr. Sherman to Assistant Treasurer United States, Cincinnati.

TREASURY DEPARTMENT, *October* 19, 1877.

A. M. STEM, Esq.,
Assistant Treasurer United States, Cincinnati, Ohio:

SIR: Your letter of the 17th instant, relative to the nonpayment, by three subscribers to the four per cent. consols of 1907, of the 98 per cent. balance due on their subscriptions, within the time specified, and asking if any arrangement can be made by which they can still be permitted to pay the balance and receive their bonds, has been received.

In reply, I have to advise you that the question has been submitted to Messrs. August Belmont & Co., of New York, and their associates, on whose account the subscriptions were received, and you will be informed of their reply.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 327.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
October 19, 1877.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: The assistant treasurer United States at Cincinnati has notified the department of the non-payment by the following named subscribers to 4 per cent. consols of the 98 per cent. balance due on their subscriptions within the time specified, and asks if any arrangement can be made by which they can still be permitted to pay the remainder and receive their bonds:

J. Taft, subscription for $500.
N. Summerbell, subscription for $300.
J. P. Bauer, subscription for $800.

The assistant treasurer has been advised that the question has been referred to you and your associates, as the subscriptions were received on your account. Please inform the department of your wishes in relation thereto.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 328.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 20, 1877.

DEAR MR. SECRETARY: Owing to a delay in the mails, I did not receive your very interesting letter of the 4th instant until yesterday. It is very gratifying to learn that the anticipations of a stringent money market in New York have been dispelled. I have been puzzled to understand why, with free banking and the facilities which the Treasury could afford the banks in an emergency in the matter of deposits, a stringent money market need occur, at any rate to such an extent as to cause an increase of 3 or 4 per cent. in the value of money; and yet it has been represented here that the price of money would go to 7, 8, or perhaps 9 per cent. in New York. In regard to the price of the 4 per cent. bonds, it now seems that it would have been to the advantage of the present and the future market if the associates had kept the bonds out of the hands of speculators, but that I suppose they would have found it almost impossible to have done. I think it would be a good idea, if practicable, to confine the sales of all bonds that may be made during the next month to investors.

The floating and surplus bonds would, in the mean time, in all probability, be marketed, thereby leaving the future market unobstructed by them.

I have tried to impress upon the associates the necessity of taking advantage of the first opportunity for recommencing operations, and that operations ought to be commenced by purchasing all the bonds in the market that could be obtained at a less price than par. I shall do all I can individually, and I shall have the co-operation of Mr. Morton, and of Mr. Seligman when he arrives here, to induce the associates here to make a vigorous effort to place the bonds. The great obstacle we shall now have to encounter, and the one I dread most, is the agitation of the silver question. A telegram was received here on yesterday stating that the committee had reported to the Senate in favor of the double standard of unlimited coinage—of paying off the debt and the interest thereon in silver, &c. This of course depressed our securities in this market. Following so closely upon the result of the Ohio election, which the people here regard as a triumph of the inflationist and silver party, it produced an unfavorable impression generally, and tended to confirm the views which many entertain that the inflationist and silver party is growing rapidly and that it will soon become dominant in the country. The inclosed clippings from the newspapers of to-day will give you, perhaps better than I can, the sentiment of the people regarding the matter. I have answered inquiries upon the subject by stating that our silver coinage at the present time is that only of token coins—limited as to legal tenders to five dollars; that nothing is likely to be done beyond making a double standard (about such as we had from 1834 to 1873) with a lim-

ited silver coinage, and a limited amount as a legal tender, and that not applicable to the payment of the public debt, or the interest on the same; that it is ridiculous to think of any attempt ever being made to pay our debt and interest in silver. This much I feel bound to say in defense of the honesty of our people.

It does not seem possible that we can have unwise legislation upon so grave and important a question. Our national credit and prosperity depend upon wise legislation regarding this question. I agree with you entirely in what you say concerning a market for 4 per cent. bonds here, and concerning the syndicate. These bonds can be marketed here to a certain extent, provided, of course, they are not killed here, and at home too, by the enactment of a bad law in relation to silver.

The money market is growing more favorable to a lower rate of interest.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 328½.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 20, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: In reply to your letter of yesterday with reference to subscriptions to the 4 per cent. bonds not taken up within the specified time, we beg to say that the associates will make no objections to subscribers taking up their bonds after the 16th of October, and we beg you will instruct the assistant treasurer in Cincinnati accordingly.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 329.

Mr. Sherman to Assistant Treasurer United States, Boston, Mass.

TREASURY DEPARTMENT,
October 24, 1877.

FRANKLIN HAVEN, Jr., Esq.,
Assistant Treasurer United States, Boston, Mass:

SIR: Referring to your communication of the 18th instant, in which you state that certain parties have not deposited the balances due on their subscriptions to the 4 per cent. loan of 1907, and express the opinion that the omission may be the result of accident, I have to state that you are authorized to effect settlements with such subscribers upon the same terms as would have applied had they made deposits with you on the day specified in the prospectus of the contracting parties, October 16, 1877. You will please advise the parties interested in regard to the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 329½.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, C. E., England, October 27, 1877.

DEAR MR. SECRETARY: During the current week the value of money has declined here. When the bank rate was advanced to 5 per cent., the banks and discount houses increased the rate of interest on the deposits made with them to 4 per cent. on call, and to 4¼ per cent. on notice. But finding money too abundant, and no employment for it at such prices, they have reduced both rates one-half of one per cent. I should not be surprised if a further reduction should be made next week. The bank raised its rate to protect its bullion, but it cannot control the outside prices. The fact is that in the present state of trade and manufactures here there is hardly the usual demand for money for business purposes. I cannot think that there is to be any increased demand for it for business purposes for some time to come, and for that reason I do not believe that the price of it will grow dearer. The great bugbear in the market is the expected demand for gold for the United States. When the settlement for the grain-crops takes place and the people here are made aware of it and come to actually realize that the dangers, which in their minds have threatened to seriously disturb the money market and interfere with business, have passed away and left them unharmed, it will greatly change the condition of things in the market here for the better. It will tend to cheapen money, and make it still more plentiful, especially for investment. A great many of our 4½ per cent. bonds have been purchased here, as I have before mentioned, on American account. This I consider an advantage, for the reason that a little later on the result of the operation will naturally, through an improved condition of the money market here, make a market for the 4 per cents. I take it for granted that any legislation on the silver propositions which would tend to injure the credit of the government would at once be vetoed, and I so state to people here.

I inclose herewith a page cut from the "Economist," on which you will find a very interesting article on Resumption of specie payments in the United States. It is utterly impossible to convince an Englishman that there can be any good system of issuing notes that differs in any way from that of this country. They cannot understand the difference between the requirements and wants of a people distributed over such a vast territory as ours are, and those of a people living, as it were, in one community. The writer of the article has mixed things up considerably in his last paragraph. I send daily newspapers which contain articles on topics that I think may interest you. The circulation of the Bank of England is now £28,300,000; the bullion on hand is £22,800,000. The circulation of the Bank of France is £96,700,000; the bullion on hand is £85,000,000. The German Reichsbank has notes in circulation amounting to £34,200,000, and bullion on hand amounting to £22,900,000. The proportion between bullion and circulation of the first-named bank is 80 per cent., of the second named 88 per cent., and of the last named 67 per cent.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 330.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *October* 29, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We received in due time your favor of the 25th instant, and have now the pleasure to inform you that the Assistant Treasurer has sufficient gold in his hands for account of the syndicate to enable him to cover in the required amount of five millions for resumption purposes.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 331.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *October* 30, 1877.

SHERMAN, *Washington:*

Please deliver to August Belmont & Co. $200,000 4 per cent. bonds paid for here. Market improving. 4 per cent. bonds worth here to-day 102½@102¾ per cent. About par.

CONANT.

No. 332.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 1, 1877.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letter of the 18th ultimo, in regard to the settlement of the $7,075,250 four per cent. bonds unpaid for, and against which no calls had been made, by the surrender of interest.

I thought it advisable to acquaint the associates here with the substance of your letter, and, accordingly, having an opportunity on yesterday to do so, I read the letter to them. They said you had made a very clear statement of the case, and that they were perfectly well satisfied with what had been done, and were pleased to learn that the settlement was satisfactory to you.

The associates have, during the past few days, been discussing the prospect of placing the bonds, and also what it is advisable for them to do. Mr. Morton, on account of indisposition, has been confined to his house most of the present week, and has not met the other parties. The Messrs. Rothschild promise fairly to do all within their power to make the loan a success.

Mr. Joseph Seligman will take his departure from here on Saturday next for America. He says that on his return home he will go to Washington and make his views known to you. The Messrs. Rothschild have

paid me for $9,770,400 four per cent. bonds, $429,600 less than the amount of subscriptions reported, viz., $10,200,000. I hear that some of the subscribers have not paid for their bonds, but I do not know that there is any truth in it. When the last call matures, on the 3d, I shall call for payment of the balance. The bonds have not as yet been quoted on the stock exchange, owing to a misunderstanding between the Messrs. Rothschild and the board. The Messrs. Rothschild refused to make a declaration of the names of the subscribers to the loan, and the board thereupon declined to grant them a settling day. It is very fortunate that the quotations have been kept off from the exchange, for the reason that when the bonds now go upon the list they will probably be quoted at par, whereas, if they had been placed on it a month ago, they would have appeared at less than par.

I think that the market is growing better, and from what I can gather I believe we are to have low rates of interest in the market.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 333.

Mr. Edmunds to Mr. Sherman.

UNITED STATES SENATE CHAMBER,
Washington, November 2, 1877.

DEAR SIR: Can you tell me whether there are any, and if so what, United States bonds that are payable on their face by express statement in *gold* coin, as distinguished from coin merely?

Yours, truly, GEO. F. EDMUNDS.

Hon. JOHN SHERMAN,
Treasury Department, City.

No. 334.

Mr. Sherman to Mr. Edmunds.

TREASURY DEPARTMENT,
November 2, 1877.

Hon. GEORGE F. EDMUNDS,
United States Senate.

SIR: In reply to your note of to-day, I have to advise you that no United States bonds are payable in gold coin by express statement on their face. Since the passage of the act of March, 1869, bonds follow the language of that act, and are payable in coin of the standard of the date of the resumption act, that is, "in coin of the present standard value."

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 335.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, Nov. 3, 1877.

DEAR MR. SECRETARY: The bank rate still remains at five per cent., although it was generally thought that on Thursday last it would be reduced. The bank cannot obtain business while its rate is about two per cent. above the actual value of money, and I think it will be compelled to make a change soon.

The attempt of the bank to force the rate of interest up in the discount market has in the recent instance proved a failure. It may be said that it has ceased to longer control the market, yet its action has an influence upon investors and people who are outside of financial circles, and besides it establishes the rate for the provinces. A few years ago, when the bank was the principal lender of and dealer in money, it had the power to control the market, and to actually fix the value of money, and the rate which it fixed really represented the value (market) at the time. A great amount of confusion and disturbance is caused in the money market whenever the bank changes its rates. A large advance tends always to depress prices and unsettle the market. The effect is not unlike that produced with us by a variation in the gold premium. The price of money borrowed within a day or two prior to an expected change in the rate is usually made subject to any change which may be made in the rate. The Bank of England does not allow interest on deposits made with it, and therefore it has nothing to lose on that account in advancing its rate of interest. Joint-stock banks, discount houses, &c., do allow interest on deposits made with them, and they are liable to more or less loss by a change in the rate. Soon after the rate was last changed the discount houses found out that they were paying a higher rate for deposits than they could realize from them in loaning them out, and they therefore lowered the price they would pay for them.

The discount houses have during the current week again reduced the amount of interest which they will allow on their deposits. Some of the banks, having country branches which afford them good outlets for loans at higher than city rates, have been able to keep their allowances up to the figure fixed upon when the first reduction was made. The object of securing new business, &c., has influenced them to take the advantages which they have over others in loaning money to keep the price up. As business demands for money have been very light, and as its actual value for business purposes has been much below the fixed rate, it is altogether probable that bankers and banks have suffered some loss on their deposits. Besides instead of having a rate at, say, 1 per cent. less than the bank rate for deposits made with the banks, as it was the custom for the banks to make it under the old rule, there are now no less than three different market rates for deposits and loans.

The object of the bank in increasing its rate was only to protect its bullion; but in attempting to do that it has thrown the market into a state of confusion, and placed the banks in a difficult position. I understand that a meeting of the representatives of the joint-stock banks was held on yesterday for the purpose of devising some plan to remedy the evils that grow out of the present system of regulating interest on deposits, &c., by the bank rate. It will be to our advantage in selling bonds here if something shall be accomplished by which the rate of in-

terest (or the actual value of money) shall be subject only to such changes as may occur through the natural law of supply and demand.

Our dispatches from home indicate that the anti-resumptionists have less strength in the House of Representatives than it was expected they would develop. It has also been telegraphed here again that money is scarce and dear in New York. All classes of our bonds are firm here.

Public attention has to-day been drawn to the situation of the "Credit Foncier of France," a public institution with a strictly-defined line of business. It has been dealing extensively in Egyptian securities and is completely loaded down with them.

This company, independent of its share-holders, has bond-holders representing £54,000,000. I hear that the Prussian Government contemplates soon issuing a large loan for internal improvements. (It may mean Krupp guns). The bonds will bear 4 per cent. interest, and will be offered as low as about 95 per cent. French 4 per cent. bonds are not worth more than 96 per cent.

I hope soon to hear that our 4 per cent. consols have reached par in New York. Some anxiety is still felt here as to the amount of gold that will be required for America.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 336.

Resolution House of Representatives, November 5, 1877, requesting copies of contract with syndicate, &c.

FORTY-FIFTH CONGRESS, FIRST SESSION.

CONGRESS OF THE UNITED STATES,
In the House of Representatives, November 5, 1877.

On motion of Mr. Wood, from the Committee of Ways and Means—

Resolved, That the Secretary of the Treasury be and he is hereby requested to furnish the House of Representatives, at the earliest practicable moment, copies of the contract made with a certain syndicate of American and foreign bankers for the negotiation of the 4 per centum bonds of the United States, together with copies of all other papers relating thereto, and also with a statement as to the present condition of such negotiation, and whether it remains in force as originally made, without modification or change.

Attest: GEO. M. ADAMS, *Clerk.*

No. 337.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *November 5, 1877.*

GENTLEMEN: I wish to call your attention to the importance of making a call of $10,000,000 5-20 bonds, in view of the probable sale of 4 per cent. bonds within the period during which the call runs. It appears to me clear that within that time you can, by the sale of 4 per cent bonds,

meet the call. I see nothing to prevent it unless it may be hostile legislation, which I have no fear will pass into a law. If the resumption act should be repealed or essentially modified to your injury I could provide for the call from the abundance of gold in the Treasury, and would cheerfully stipulate to do so in case any new legislation should prevent or delay the sale of bonds by you. The effect of a call made now would be very beneficial, not only in maintaining the market for 4 per cent. bonds, but in preventing hasty and inconsiderate legislation.

I cannot too earnestly press this matter upon your attention. But for the contract with you, I would, without hesitation, take the responsibility of making this call, and take the risk of selling bonds within the period of the call. As no considerable sum of 4 per cent. bonds have been sold in this country, except under the impetus of the popular loan, I think you will feel that the associates ought to be willing to take some risk, if there is any, in the matter.

If, upon consultation, you agree to the call, I trust it will be made during the present week.

Very respectfully, JOHN SHERMAN, *Secretary.*

Messrs. AUGUST BELMONT & Co.,
New York.

No. 338.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT, *November 7*, 1877.

DEAR SIR: Your telegram of to-day received.

The passage by the Senate of the silver bill in its present form would, as you say, stop funding and resumption, but I have no expectation that it will pass, except a provision for issuing the silver dollar on government account in exchange for United States notes. In case it passes and you shall have assented to make the call I ask for, I will promptly assume the payment of the bonds called, for the passage of such a bill might fairly be regarded as a suspension of your contract and a practical repeal of the refunding act. We must act upon the laws as they are, and I have a confident hope that they will not be materially changed.

Very respectfully, JOHN SHERMAN, *Secretary.*

AUG. BELMONT esq.,
New York.

No. 339.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK,
New York, November 7, 1877.

MY DEAR SIR: The inclosed Washington dispatch, which has been circulated in Wall street this afternoon, caused gold to close 102⅞ @ 103, when it had been 102⅝ @ ¾.

Having in mind your confidence that the House silver bill cannot become a law, it is proper to tell you that two gentlemen of prominence and undoubted character, who are not in sympathy with the silver

movement, have conversed with the President upon the subject within a week, and left him with the belief that he *will* sign the silver bill.

Can you not find a proper way to assure the country that the President is sound upon this question, so vital to the public credit?

Yours, truly, H. C. FAHNESTOCK.

Mr. SHERMAN.

No. 340.

Mr. Belmont to Mr. Sherman.

NEW YORK, *November* 7, 1877.

MY DEAR SIR: I fear that the threatening position of the silver question will check completely any demand for the 4 per cent. bonds here and in Europe. The damage which the passage of this measure will do to our public credit abroad *cannot be overestimated.* To remonetize silver upon the old standard, and make it a legal tender for all private and public debts, will be considered by the whole civilized world as an act of repudiation on the part of the Federal Government, and cast a stain upon our national credit, which has hitherto stood as high and bright as that of any government in the world.

It is just as much repudiation for the Federal Government to compel its bondholders to accept the payment of their interest in silver, which is at a discount of 10 per cent., against the gold which the government received for its bonds, as it would be if Congress decreed that all the bonds of the United States should not bear a higher interest than 2 per cent. per annum. To do such a thing now as is contemplated by the Bland silver bill, when the Federal finances are in a flourishing condition, when the premium on gold has been reduced 2½ @ 3 per cent., and when our funded debt sells equal to that of any other public security in the world, is actually as if a man of wealth and position, who had by a life-long course of strict honesty acquired the well-earned confidence and respect of his fellow-citizens and of the outer world, should in the midst of his affluence, and without any palliating excuse of any temptation of want or necessity, commit open theft.

I am sure I do not overestimate the damaging effect which the passage of the bill must have upon American credit. All my letters from abroad, and conversations with persons familiar with the English and continental money markets, confirm my convictions on that point. When you look back and find in the archives of your department the proud records of a nation's faith kept inviolate with a most punctillious and chivalrous spirit during a century amidst all the trials of foreign and civil war, which strained the resources of our country to the very verge of ruin, the task before you is certainly a difficult and harrassing one; but while the path of duty is often narrow and difficult, it is always straight and so well defined that it can never be mistaken.

Sound financial policy and love of our country's fair name alike demand from those to whom the administration of its affairs have been intrusted the most uncompromising hostility to the *blind* and *dishonest* frenzy which has taken hold of Congress, and I sincerely hope that you will be seconded in the task before you by the hearty support of the President and your colleagues.

Yours, very truly, AUGUST BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, &c.

No. 341.

Mr. Belmont to Mr. Sherman.

[Telegram.]

NEW YORK, *November* 7, 1877.

JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

Your letter yesterday received. Shall reply after consultation with associates. Cable advices from London quote market decline in government bonds upon passage of silver-bill in House; fear its passage by Senate would stop all chances for refunding and resumption.

AUGUST BELMONT.

No. 342.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 8, 1877.

DEAR MR. SECRETARY: I had the honor to send a cable message to you to-day in cipher, which, interpreted, reads as follows: "Private advices from America say that silver bill will pass. Messrs. Rothschild request me to say that they deem it highly important to the credit of the United States Government abroad that it should be at once declared that any bill will be vetoed which will not exempt principal of public debt and interest from its operations, leaving payment of same to be made in gold coin. Answer desired," &c.

The gentlemen above referred to have no doubt in their own minds but that the President would veto any bill which would affect the credit of the country so far as the payment of the public debt and the interest thereon is concerned; but, in view of the present agitation on the subject, the action of the House of Representatives, and the sensitiveness of the owners of our securities who reside here and in Europe, which has been greatly heightened by the successes of the opposition, and the general feeling that the strength of the anti-resumptionists and inflationists is gaining, the associates think that if it could be made known that the President would surely veto any such bill it might save a great amount of harm.

I have given all to understand that no bill would become a law which would tend to depreciate the value of our bonds.

I inclose an editorial clipped from the Times of yesterday. It is absurd in many respects, but upon the whole it is not unfavorable to our bonds. The dispatches which are sent here in regard to the silver measures not only tend to affect our securities, but, if continued, will soon interfere with exchanges. It will require a little time before people here can be made to understand the question. I write hastily, in order to have this letter go in the mail of to-day.

With great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 343.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *November* 8, 1877.

SHERMAN, *Washington:*

Private advices from America say that silver bill will pass. Rothschilds request me to say that they deem it highly important to credit of United States Government abroad that it should be at once declared that any bill will be vetoed which will not exempt principal of public debt and interest from its operations, leaving payment of the same to be made in gold coin. Answer desired as soon as possible.

CONANT.

No. 344.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, November 9, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: The syndicate letter which goes to you by this mail does not state too strongly the damaging influence of the silver bill which has been introduced and passed in the House by so surprising a vote since our last interview.

We feel that a call at this time would be a waste of ammunition, as it would not make sales of 4 per cents, and it had better be reserved for a time when conditions shall be favorable, and when it will certainly be useful.

The 4 per cents to-day are selling at 99 and interest in a small way only. Since we talked with you this bank has bought in the market about $750,000 of 4 per cents, and we have in sight several millions more which must be marketed before we can make new sales on government account.

Referring to what you said about your desire to reduce your 6 per cent. interest account, thus offsetting interest payments on bonds sold for resumption—and about the large amount of called bonds remaining outstanding—it occurs to us to mention that if you still desire to redeem an amount of uncalled 5-20 bonds, this bank could furnish you four, and perhaps five, millions of 1865s during the present month, in season for the debt statement.

When we corresponded with you in September we had a larger amount in view, but some two millions have since gone to Washington as basis of bank circulation, and a million more will be sent down next week. These bonds, you understand, are in the market and compete with our sales of 4s. If withdrawn they will create a vacuum and increase the demand for 4s correspondingly.

If you care to entertain such a redemption, it can be arranged entirely outside of the syndicate settlements and as an independent operation, while at the same time it will certainly promote your further sales of 4s.

If desired, Mr. French or I will any day see you in person to discuss details.

Very truly yours, H. C. FAHNESTOCK, *V. P.*

No. 345.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *November* 9, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: With reference to our letter of the 7th instant, we have now the honor to state that we have received an answer from our London associates on the subject of a new call.

After conference and careful consideration of the whole subject, it is the conclusion of all the associates, in Europe and here, that it is injudicious to undertake further negotiations of the fours during the pendency of the legislation proposing to make silver a full legal tender, as the discussion has checked dealings in the bonds by the public. To make a call in face of a market quotation (to-day 98¾ and interest) below the price fixed by law would not convince the public that new business had been undertaken at a loss, but that the call was connected with business previously done. Or, worse, it might bear the construction that the syndicate were indifferent to passing events and underestimated the grave evils which this silver bill threatens to the national credit. We should be unfaithful to ourselves and to the purchasers of the bonds, to whom we have repeated the representations made by the Administration before the public negotiation of the fours, did we fail on every proper occasion to express the conviction that, after a century of scrupulous fidelity to all obligations, the national credit would receive a disastrous, perhaps a fatal, blow if, in this period of prosperity, any impairment of the public credit is permitted or even entertained.

You will remember that in the contract of the 9th June the associates agreed to pay for the bonds in *gold coin;* that, taking note of doubts and inquiries when the bonds were first offered, you, very properly, on the 19th of June, addressed a letter to Mr. F. O. French, which was given to the public, in which the obligation to pay the bonds in gold was recognized as one to be "sacredly observed."

In a letter of the same date to ourselves, covering a copy of this letter to Mr. French, you informed us "that the views therein expressed were concurred in by the President and all his cabinet."

In view of these so recent communications, we need hardly express our faith that no measure of the character now pending will receive the Executive sanction.

Further than this, we are satisfied that, holding the views expressed in your letters mentioned, the President and all his cabinet will agree with us that it would be wrong for us to ask for another call at this juncture, as such action would be held by those advocating the legislation in favor of silver as proving that such legislation in our opinion was not prejudicial to the national credit and the refunding of our national debt.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

No. 346.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
LONDON, E. C., ENGLAND, *November* 10, 1877.

DEAR MR. SECRETARY: Not having received a reply to my cable message of the 8th instant, I have naturally come to the conclusion that you have deemed it inexpedient to make any answer. I had some doubts about the propriety of a declaration being made while a bill was pending that, if passed, it would be vetoed, but feeling that I ought to communicate to you the wishes and opinions of the associates here, who were at the time discussing the matter of a new call, I accordingly sent the message.

Our bonds have been depressed by the rumors which have been circulated respecting probable legislation which would depreciate their value; 4½ per cent. bonds fell off on Thursday about ⅜ per cent. If, in any legislation which may be enacted regarding silver, provision could be made not only exempting the debt and the interest thereon from payment in silver, but declaring that payment of the same shall be made in gold coin, it would aid us immeasurably in placing our bonds. People here have lost so much in investments in foreign securities that it is not to be wondered at that they are sensitive about them. None are regarded as sounder or better than ours. We are not only competitors, but successful rivals in some of the markets of the world, especially in China; and, besides, we have ceased to be customers. We not only have, at all times, the opposition of a large class of the English people whose interests are materially affected thereby in placing loans, but have to contend with interests in colonial and other loans almost constantly on the market here. All the combinations against us seize upon such an opportunity as the present affords to injure our credit; but they have made no headway as yet. The Times has treated the question very fairly. I inclose two clippings from the money articles of yesterday and to-day.

The associates here have during the past three days been discussing the question of making a new call, in accordance with your wish conveyed through Messrs. Belmont & Co. I am satisfied that the parties would have consented to a call but for apprehensions that Congress, by unwise legislation, might prevent the sales of the 4 per cent. consols. They argued that it would be undertaking a great risk to advance the bonds from their present price to par, and to maintain them at that figure and make sales of ten millions, in view of the action Congress might take. I believe, however, that if matters present a more favorable look next week they will make the call, or rather give their consent to a call.

The position of the market has remained unchanged during the week. Money is plentiful, and not in great demand. Money continues cheap in Paris, viz, 2 per cent. The complication of French affairs and the probable continuance of the same will, very likely, turn the attention of some of the French investors to our securities. I think it is quite probable that they may buy quite largely. There has been no bullion movement during the week of any note. The German Government ordered a sale to be made here, on yesterday, of some of their silver at 54¾d. per ounce, a less price than the price at which sales have been made.

Trusting that there will be no action had by Congress which will interfere with placing our bonds, I remain

Your obedient servant, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 347.

Mr. F. O. French to Mr. Sherman.

NEW YORK, *November*, 12, 1877.

Hon. JOHN SHERMAN, *Washington:*

DEAR SIR: Our business people are very much alarmed at the rumored strength of the silver people, and, as they apprehend the gravest disasters from the success of the Bland bill, a committee of gentlemen connected with insurance and trust companies, as well as with the banks, go to Washington to-morrow to present their views to the Finance Committee.

Once dispatch this silver business—and I have faith that it cannot live in the light of full discussion by the Senate—and we shall renew funding, and by attaining resumption put an end to financial discussions as we did to slavery! Respectfully, F. O. FRENCH.

No. 348.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *November* 13, 1877.

Messrs. AUG. BELMONT & CO., *New York:*

GENTLEMEN: Your letter of the 9th inst. was received, and also a personal letter from Mr. Belmont.

I am watchful of the course of legislation in Congress and of the current of public sentiment, both in our own and foreign countries, on the silver question. I am not prepared at present to give any assurance as to what will be done in Congress, nor of the action of the Executive Department. It is better to let the matter stand as it is, awaiting events without any committals whatever. I have faith to believe that all will come out right so far as the public credit is affected, and will write you again when anything definite can be said. Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 349.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 15,

DEAR MR. SECRETARY: The correspondent of the Times has sent a dispatch from Philadelphia, which appeared in this morning's issue of that journal, to the effect that the prospect of unfavorable financial legislation is regarded as being considerably diminished; that the President has announced his intention of vetoing any bill interfering with resumption, &c., and that, to a deputation of bankers and merchants who urged him to veto the Bland silver bill if it passed Congress, he replied that there would be a manifest impropriety in his then expressing his views upon the subject, but that he would give their arguments full consideration, &c. The dispatch is very reassuring and will have an excellent

effect upon timid people here. From the quotation of the four per cent. bonds in New York it would seem that there was an improvement in the feeling there about financial matters.

The associates are still discussing the question of making a call. They expected that Congress would take definite action before now on financial affairs, and hence this delay in acting. From what I gather I am inclined to think that some of the New York associates are inclined to hold back at present. On account of a demand for gold for Egypt money grew a little dearer on yesterday, but I can see no good reason why in the course of two or three months the price should not decline to nearly the figure of the corresponding period of last year. There has been, during the past month or more, quite a speculation carried on in exchange, based on the belief that quite a large sum of gold would necessarily have to be withdrawn from here for America to be used in payment for grain. This must end soon, and I hope also that the eastern question will be settled through arbitration within the next two or three months. Considerable anxiety is felt concerning the political aspect of affairs in France, but it is generally believed that there will be a peaceful solution of the troubles that exist there.

It is not thought that the new Russian loan will be taken. It is for £15,000,000, and is offered at about 75 per cent., and at Berlin and Amsterdam only. It is said that bankers in the two cities named have made large advances to the Russian Government, and that they will get the proceeds of the loan. They will undoubtedly try to sell some of the bonds in this market, but they cannot place any of them here.

I cut and inclose herewith an editorial from the Times of to-day on the subject of the reduction of the army. I have marked a paragraph in which the statement is made that the Democratic party will probably succeed, at the next Presidential election, in gaining control of the government. This is really the prevailing belief here. The sympathies of three-fourths of the English people were with the South during the war, and since its close they have been with the Democratic party.

It is to be hoped that Congress will take action soon, and that the associates will conclude soon what they will undertake to do.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 350.

Mr. Wright to Mr. Sherman.

OFFICE OF THE SAN FRANCISCO BULLETIN CO.,
San Francisco, November 15, 1877.

Hon. JOHN SHERMAN:

DEAR SIR: If compatible with the public interest, please inform the Bulletin of the amount of gold coin on hand as a special fund for the redemption of legal tenders. I do not remember to have ever seen any statement of that sort, though I have seen fragmentary notices of bonds sold at various times for that purpose.

The Bulletin is with you in full sympathy in all honest efforts for an honest currency and an honest fulfillment of solemn pledges.

BENJ. C. WRIGHT, *of the Bulletin.*

No. 351.

Mr. Sherman to Mr. Turner.

TREASURY DEPARTMENT,
November 17, 1877.

Hon. THOS. TURNER, *House of Representatives:*

SIR: Your letter of the 14th instant, addressed to Mr. Young, which relates to the proportion of the interest-bearing debt of the United States held at home and abroad, has been received.

In reply to your inquiries I would state that the principal portion of the national debt held abroad is composed of coupon bonds, and, as they are payable to bearer and pass by delivery, the department has no means of knowing where or in what amounts they may be held.

The amount of registered bonds of the funded loans held in foreign countries is about $24,000,000.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 352.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 17, 1877.

DEAR MR. SECRETARY: On yesterday £100,000 in American eagles were withdrawn from the bank for shipment to New York, and as a result of the movement of this amount of bullion the rates of discount were suddenly advanced fully three-quarters of one per cent. This increase in the rate is, of course, wholly artificial. I do not believe it can be maintained, for there is not only no unusual demand for money, but money is plenty, and the demand for it is rather light than otherwise. The operation shows how sensitive the market here is, and how easily it can be manipulated. The bank, as I have mentioned in previous letters, ceased long ago, through its own direct action in advancing the rate of interest, to control the market rate of interest. It is, however, hinted, in the present instance, with the aid of some of the joint-stock banks, the bank, by adopting another method, viz., by borrowing money in the open market against consols, succeeded in bringing about the present forcing up in the rate of interest, for the purpose of preventing a further loss of gold. At the present rate of exchange it is not profitable to send gold from here with the rate of interest above three per cent. Money is slowly returning here from the interior, whither it was sent for the purpose of gathering the harvests, and the reserve of the bank is being gradually strengthened. The reports which now come from home in regard to the probable legislation of Congress on the subjects which affect our securities are very favorable. People here are becoming impressed with the idea that the so-called anti-resumptionists and the inflationists are losing rather than gaining strength, and they are also firm in the belief that the President will veto any bill providing for the payment of the debt and the interest in any other currency than gold coin. In this connection I would call your attention to an editorial in the Daily Telegraph, of yesterday, upon the difficulties of securing the repayment of moneys loaned on mortgages on real estate, in which consols and

United States five-twenty bonds are mentioned as being securities which are really better for investors than mortgages on land. This is paying our national credit a compliment such as no newspaper editor here would have dared to bestow upon it a dozen years ago. It strikes me that the article might be utilized to our advantage at home. I observe that, deducting accrued interest, the four per cent. consols are about ⅝ per cent. below par. I have talked with the associates here concerning the necessity of purchasing the floating bonds in the market, in order to prepare it for further sales, and they admit that it should be done. The associates will be very loth to part with the contract, and my impression is that they will take active steps to dispose of bonds very soon. I know that they are now discussing the matter almost daily, and I think they will soon hit upon some plan of operation.

French affairs are really in a disturbed state, and while it is not probable that anything like a revolution will occur, yet the events now transpiring are of a nature that will lead to distrust as to the stability of the government. I believe that if we were now selling our 4 per cent. consols we could find a good market for them in France. The present condition of affairs, so far as they relate to the sale of bonds, seems to require that we shall wait patiently, I hope for a very short time, however. I hope the syndicate will see the way clear enough to induce the authorization of a call during the ensuing week.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 353.

Mr. Sherman to the Speaker of the House of Representatives.

TREASURY DEPARTMENT, *November* 19, 1877.

Hon. SAMUEL J. RANDALL,
Speaker House of Representatives:

SIR: I am in receipt of resolution introduced by Mr. Wood, of the Committee of Ways and Means, as follows:

"That the Secretary of the Treasury be and he is hereby requested to furnish the House of Representatives at the earliest practicable moment copies of the contract made with a certain syndicate of American and foreign bankers for the negotiation of the 4 per centum bonds of the United States, together with copies of all other papers relating thereto; and also with a statement as to the present condition of such negotiation, and whether it remains in force as originally made, without modification or change."

In compliance with this request, I have the honor to inclose herewith copies of the contract referred to and other papers which have a definite bearing upon the subject. Before this contract was entered into, I met the contracting parties, both in New York and Washington, and discussed at some length the feasibility of placing the 4 per cent. loan upon the market, and, on the 9th of June, 1877, perfected arrangements for that purpose by executing said contract.*

During the thirty days which were set apart by mutual consent for

* See No. 122.

the reception of popular subscriptions, the amount of $6,073,250 was sold by the Treasurer and assistant treasurers of the United States, and subscriptions to the amount of $69,423,300 were procured through the efforts of the contracting parties.

The business of refunding progressed satisfactorily, and arrangements had been perfected for the continuance of the sale of 4 per cent. bonds, and a call was about to be made when fears of the effect of the proposed legislation by Congress remonetizing silver arrested for the time the sale of such bonds, and caused a temporary postponement.

Below is a statement of the present condition of the 4 per cent. loan, and I would add that the contract remains in force as originally made, without modification or change.

CONDITION OF UNITED STATES 4 PER CENT. BONDS OF 1907, NOVEMBER 19, 1877.

Subscriptions received	$75,496,550
Amount against which calls for 6 per cent. 5-20 bonds have been issued	50,000,000
Balance account of resumption act	25,496,550

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 354.

Messrs. Colgate & Co. to Mr. Sherman.

NEW YORK, *November* 20, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

DEAR SIR: We will purchase one hundred to one hundred and fifty thousand dollars United States 4 per cent. bonds, principal and interest payable in silver dollars of 412½ grains each, standard fineness of the United States, at par. To pay for the same we will deposit in the United States assay office here an amount of silver which will produce the sum required to be paid in said silver dollars at par. Please answer by return of mail if you accept.

Very respectfully, yours, JAS. B. COLGATE & CO.

No. 355.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 23, 1877.

DEAR MR. SECRETARY: I inclose herewith clippings from the Times of yesterday and to-day, of the dispatches from the United States relating to the silver bill, &c.

On account of the agitation of the silver question, the price of our bonds has declined, and I hear to-day that quite large amounts are being offered in the market. Gold is coming here from Australia, and is being returned from the interior also. The tendency in the price of money is very much in the direction of cheaper rates. We also hear that

money is cheaper in New York. The advance in the premium on gold in New York yesterday rather surprised people here. It is, however, attributed to the feeling that the silver bill will pass the Senate. The sooner the matter is brought to an issue the better it will be, so far as the standing of all descriptions of our securities is concerned. The newspapers here have been silent upon the subject, and have not recently published anything in regard to the matter, except such dispatches as have been sent here from home.

The associates say they cannot see their way clear to authorize a call; that they must wait for the action of Congress and the Executive on the silver bill.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 356.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 24, 1877.

DEAR MR. SECRETARY: There has been a marked improvement in the condition of the money market here during the present week, and it is generally thought that the highest rates of interest have now been reached. Gold to the amount of six hundred thousand pounds will arrive here on Monday from Australia, and it is expected that more will follow, and also that gold will come here from the East. The people here are, however, constantly reminded through the monetary articles in the newspapers that there will be a demand for gold for the United States. It is very likely that this reminder, which has been almost daily kept before the people during the past two months, has been made use of in keeping up the price of money. The price of our securities has been as well maintained as could reasonably have been expected. During the week ending on yesterday (Friday), the closing prices were on consols of 1867, ¼, on 5 per cent. funded loan, ¼, and 4½ per cent. funded, ⅜ less than at the commencement of the week. All transactions, however, were very small. A large amount of our securities was offered for sale, but for full prices only. Operations in them to any extent will naturally be suspended until it shall be known what will be the action of Congress and the Executive on the financial measures now pending. Everybody here firmly believes that the President will veto any bill which Congress may pass that would affect the credit of the government, or that would be hostile to resumption on January 1, 1879. People are amazed at the propositions in the Bland bill, which has been published here, and until the issue is decided they will not purchase our bonds.

I have cut and inclosed herewith an editorial from the Daily Telegraph of yesterday on the silver question and the repeal of the resumption act. The fairness and justness of the article cannot, it seems to me, be criticised.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 357.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, November 24, 1877.

DEAR SIR: Your letter of the 10th is received, together with former letters, and also your telegram.

I did not feel at liberty to answer the latter, as it would not be proper for either the President or myself to say what bill would be approved or vetoed until presented for the signature of the President.

It is now reasonably well settled that no bill either on the silver or resumption question will pass Congress at the present session, but will be the subject of long debates in the forthcoming regular session.

No wonder that our bonds are depressed by the debates in Congress and the many rumors afloat.

Whatever may be the terms of the bill I do not think it is the purpose of Congress to raise the question as to the payment of the principal or interest of bonds issued since February, 1873.

The strength of the movement for the remonetization of silver rests upon what I regard as the mistaken idea that the silver dollar will advance to par in coin.

As you have seen, the Senate committee strike out the free coinage of silver and make it issuable by the United States from bullion purchased in the market at the rate of $2,000,000 a month.

While grave objections exist to this proposition, it is very different from the one contained in the House bill.

The better way is for you not to make any assurance about what will be the future action of Congress, but express the hope, which I think you may fairly do, that no question will be made with the public creditors.

The effect thus far of the agitation in Congress has been to arrest refunding and the sale of four per cent. bonds.

Under the arrangement we have $5,000,000 a month secured up until the 1st of January, and I hope the skies will brighten and that we may be able to resume the sale of four per cent. bonds in our own country if not in Europe.

The disposition of Congress, as I am assured, is to allow the four per cents to be sold at par in coin, or its equivalent in currency, and to promote the sale by receiving postal orders and all forms of commercial drafts.

I still think the best thing for the associates and the government is to make a call in the early part of December, about the time you receive this, and go on just as if no bill was pending in Congress.

If the worst comes to the worst, I can protect the call by the use of gold now in the Treasury.

I do not feel like pressing this upon the associates, but will again submit the matter to them.

Your several letters have been interesting, but were not answered mainly because you would see the facts stated in telegrams before you could receive my replies.

I hope, however, you will continue to write frequently, giving me all facts or rumors, and such extracts from English papers as relate to the public credit or our financial operations.

You will receive this about the time Congress will meet and after the reports have been made public here, and perhaps the substance in England.

The comments of the press upon the views presented by the President and myself will be of interest.

Very truly, yours, JOHN SHERMAN.

Hon. CHARLES F. CONANT,
London.

No. 358.

Mr. Sherman to Mr. Allison.

TREASURY DEPARTMENT,
November 26, 1877.

Hon. W. B. ALLISON, *United States Senate:*

DEAR SIR: Your letter of the 24th instant, requesting that you be furnished with a statement of amount of bonds issued since February 12, 1873, the rate of interest paid and to be paid on each class, and the date of maturity of each class, has been received.

I have the honor to say that the following statement shows the amount of United States bonds issued since February 12, 1873, the rates of interest they bear, and the dates when redeemable, viz:

Loan.	Act.	Rate of interest.	Redeemable.	Amount.
Funded loan of 1881	July 14, 1870 / Jan. 20, 1871	5 per cent	After May 1, 1881	$317,494,150
Funded loan of 1891	do	4½ per cent	After September 1, 1891	200,000,000
Funded loan of 1907	do	4 per cent	After July 1, 1907	75,496,550
Issued since February 12, 1873				592,990,700

I inclose a copy of a United States bond, giving the obligatory words of payment.

Gold coin only has been paid by government for interest and principal for United States bonds, except in fractions of one dollar, necessary in making change.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 359.

Mr. Morrill to Mr. Sherman.

COMMITTEE ON FINANCE, UNITED STATES SENATE,
Washington, November 26, 1877.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

MY DEAR SIR: The enormous increase of the stock of silver will undoubtedly reduce its market value, even though the world were to use its former amount of coinage, as there will be still a surplus left over to to be sold for use in the arts, and which will be sold, like any other commodity, according to its market value. At the same time, if a considerable number of nations, say the Latin Union, were to co-operate with the United States, they might be able to do something to prevent any extraordinary sinking in value.

If the United States shall adopt the silver coinage independently and alone, it will probably encourage European nations to adhere to the gold standard; and their cast-off silver will be sent here to compete with the American production, and most likely revolutionize its value. If we take this step alone in advance of any negotiations to induce other nations to co-operate with us, there will be no chance for us to retreat, however disastrous the result.

Of course a silver standard will be likely to send home from abroad a large amount of bonds to be sold in the American market for the most that they will fetch; and your funding process on any liberal scale will be sure to come to an end.

The rather reluctant refusal of the Finance Committee to exempt those bonds which have been negotiated at low rates of interest within the last four years, and while our statutes provided for no other currency than a gold one, I regard as a direct and palpable violation of the statutes.

But I merely write you this note to suggest to you whether it would not be well for the President to promptly initiate some inquiry or negotiation with foreign governments, to see whether we may not be able to negotiate with them so far as to indicate an agreement upon a proper ratio for the coinage of both gold and silver.

Very truly, yours, JUSTIN S. MORRILL.

No. 360.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *November* 28, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg leave to acknowledge receipt of your favor of the 26th instant, urging renewed efforts to place the 4 per cent. bonds through the medium of the post-offices, and expressing the belief that no unfavorable legislation will be enacted the present session.

Your communication has had our (as well as our associates') most careful attention, but we regret that we cannot see our way clear to meet your wishes with respect to further sales of 4 per cent. bonds at this moment. While we are very anxious to do all in our power to further the funding operations, we cannot see how we can possibly expect to sell any bonds at par, or even at the sacrifice of the whole commission allowed to the syndicate, while they are offered in the open market at 99 in gold, and while the bill of Mr. Bland, making silver a legal tender for all public and private obligations, has passed the House by an overwhelming majority and is reported favorably by the Senate committee with only an immaterial amendment. You state that "no bill affecting the public credit will pass during this session"; but this session only lasts four days more, and within six days from now the regular session of Congress begins, and every information from Washington confirms the belief that the Senate will pass the bill as reported by its Finance Committee. To offer the bonds under such circumstances would look like an acquiescence on the part of the syndicate in the silver bill, and would be used in that sense by its advocates in furthering the passage of their measure.

We remain, dear sir, yours, very respectfully,

AUG. BELMONT & CO.

No. 361.

Mr. Sherman to Mr. Wright.

TREASURY DEPARTMENT, *November* 28, 1877.

BENJ. C. WRIGHT, Esq.,
Office of the S. F. Bulletin Co., San Francisco, Cal.:

SIR: Acknowledging the receipt of your letter of the 15th instant, requesting to be informed of the amount of gold coin on hand as a special fund for the redemption of legal-tenders, I have to inform you that there is no special fund of this character. The whole amount of gold coin in the Treasury, not otherwise appropriated, is available for the purpose mentioned.

I inclose for your information copy of last public-debt statement issued.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 362.

Mr. Belmont to Mr. Sherman.

NEW YORK, *November* 29, 1877.

MY DEAR SIR: I need hardly assure you, at this late day, of my earnest solicitude for the success of the funding and resumption operations, and of my personal deep regret, apart from all pecuniary considerations, as a member of the syndicate, to see this unfortunate situation of the silver question put a complete stop to all further sales of the 4 per cent. bonds at present, here and in England. The capitalists and banks on both sides of the Atlantic will not buy a bond at par *in gold*, when it is almost certain, from the overwhelming vote in the House, and the known attitude of the Senate, that a silver bill, making the old silver dollar a legal tender for all private and public obligations, will pass both houses this winter. The limitation of the amount to be coined is of minor importance, and will not be sufficient to allay the just apprehensions of investors. Even if it were possible to sell bonds now at par, less the commission allowed by law, the members of the syndicate would be glad to give up the greater portion of that commission in order to assist your views; but the bonds are selling at 99 to ¼ in gold in open market, and it seems to me very doubtful policy to offer bonds, by us, to the public at this moment, and thus assist the advocates of the old silver dollar by our apparent indifference to the injustice and dishonesty of the Bland bill. In this I express the opinion of all my colleagues of the syndicate; but we are all anxious and willing to carry out your wishes, and if we could only have the assurance that the President will veto any bill which contemplates the payment of the coin bonds of the government in silver of the old standard, we would at once make every preparation and effort to renew sales here and in Europe, and, I think, with tolerable chances of success, though it cannot be denied that the action of Congress has already shaken public confidence very much. Large amounts of bonds, probably fourteen millions, have already been sent over from Europe for sale, and every steamer brings fresh supplies, thus preventing the influx of gold from abroad which we would certainly have had by the continued balance of trade in our favor.

Mr. French, of the First National Bank, has to go to Washington to-morrow morning, and I have requested him to call and see you in

order to acquaint you more fully with our views, and to see whether a way may not be found for us to carry out your wishes at an early day. I have given him copies of two letters which I wrote recently to Senator Bayard, and which it may, perhaps, interest you to peruse.

I wish the intelligent and well-meaning portion of the silver advocates in Congress (those who intend a bimetallic circulation on sound and honest principles) could be induced to a calmer consideration of the whole subject, and would not allow themselves to be dragged in the wake of ignorant demagogues who bellow out their insane cry against the bondholder, profess to be the poor man's friend (?) and are *his worst enemies*—we might then in all probability arrive at the passage of a bill for the appointment of half a dozen, or a dozen, scientific and practical men to meet an equal number of experts on the part of the Latin Union in conference. Such a Congress can certainly deal better with this important question than can be done by hasty and prejudiced legislation, in which but too often the public good is sacrificed to sectional and party feeling. The position and interests of France, the leading power in the Latin Union, are almost identical with ours in regard to this question, and I have reason to know that some of her wisest and most influential financiers are in favor of a bimetallic circulation. Why not try to go hand in hand with a government which has so admirably managed its finances during the last six years that, notwithstanding war, defeat, and spoliation, and in the face of the most threatening political situation, her financial and commercial condition is at this moment sounder than that of her conqueror, and perhaps better even than that of England?

I am not at all a blind and stubborn opponent of silver. On the contrary, I should be sorry to see hasty legislation excluding it altogether, but *national faith and honor* must not be jeopardized. That once secured, and put on its former sound basis, I will go as far as anybody towards protecting our large silver productions, and trying to secure a sound medium of circulation, of sufficient volume to restore prosperity and activity of industry and commerce, by which debtor and creditor may both be benefited alike and become better friends, so as to understand that their interests are identical, and that only by laws of equal justice to West and East, North and South, can we hope to resume again our position in the front rank of the great commercial and agricultural nations of the world.

Should my personal presence at any time be desirable to you, I shall always be ready to come on at once.

Very truly, yours,

AUGUST BELMONT.

Hon. JOHN SHERMAN, *Washington, D C.*

No. 363.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, November 29, 1877.

DEAR MR. SECRETARY: The bank rate has to-day been reduced to 4 per cent. The rise in the New York exchange on yesterday, due partly, it is said, to a decrease in shipments, caused by great storms, had something to do in bringing about the reduction.

The rise in the exchange is also considered, it is said, as indicating that there will be no such requirements of gold for the New York mar-

ket as have been anticipated. It has quieted the fears of many timid people, who have been very apprehensive that gold in large sums would be shipped to that point in payment for grain and cotton, and that, consequently, there would be a scarcity and stringency in the gold market here. From the present indications, I think, we can look forward to a quiet and easy market here, with low rate of interest. The sale of our 4 per cent. consols could be resumed here in the course of a few weeks, if it were not for the agitation of the silver question. If Congress would pass an act declaring that the principal of and the interest on our bonds should be paid in gold coin, and also that our customs dues should be paid in gold coin, I believe that we could immediately thereupon commence the sale of our 4 per cent. bonds here. Our bonds must be in demand here soon. The price of them has been much firmer during the past two or three days, but the transactions in them have been small.

The condition of affairs in France is not being improved. On Monday a resolution was passed by the Senate and Chamber of Deputies, providing for the appointment of a committee of thirty to investigate the cause of the present depression of trade, commerce, and industries of the country. There is a great lack of confidence in the present government of that country. Money in Paris is very cheap and employment for it there cannot be found. This may be partly due to the prostration of all kinds of business. By the last return, the bank of France holds £84,258,000 in coin, and its note circulation amounts to £99,908,000. I am very confident that the French people can be induced to invest in our four per cent. bonds.

I should be greatly pleased to receive a letter from you, and hope that you may find an opportunity to write respecting the condition and future prospects of refunding operations at home.

I am, very respectfully, your obedient servent,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary &c.,

No. 364.

Mr. Sherman to Treasurer of the United States.

TREASURY DEPARTMENT,
November 30, 1877.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: In compliance with the terms of the third section of the act of Congress entitled "An act to provide for the resumption of specie payments," approved January 14, 1875, you are hereby instructed to cause legal-tender notes to the amount of three million one hundred and fifty thousand six hundred and four dollars ($3,150,604) to be withdrawn from the available currency balance of the Treasury and redeemed and destroyed, the same being eighty per cent. of additional circulation issued to national banks from October 31, 1877, to November 26, 1877, inclusive.

Until further redemptions under said act shall be ordered, the amount of those notes outstanding and to be used as a circulating medium shall not exceed the sum of three hundred and fifty-one million three hundred and forty thousand two hundred and eighty-eight dollars ($351,340,288).

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 365.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 1, 1877.

DEAR MR. SECRETARY: I inclose herewith clippings from various newspapers of articles which have appeared in them during the past few days in relation to the silver question, resumption, &c.

The publication of your report and of the President's message is looked forward to with a great deal of interest.

The price of our bonds remains firm in the market here, but transactions in them are not large. People who have money to invest can deposit it in banks and receive from two to three per cent. interest on it, and having that opportunity to make their money earn them something, they avail themselves of it rather than to invest in our bonds while legislation is pending which *they think* may affect their value.

I was told in confidence, and charged not to mention the fact, a few days ago by the members of a large banking-house that two holders of our securities, private gentlemen (one of them a native of America, but a resident here, and the other an Englishman, a late influential editor, and a man of intelligence), had called upon them for advice as to whether it would not be safest and best for them to dispose of their American bonds and invest the proceeds in something else. The members of the banking-house said to these gentlemen that it was ridiculous to suppose that the United States Government would ever undertake to repudiate its debt or attempt to pay it or the interest thereon in silver or in any currency cheaper than gold, the currency in which these gentlemen had paid for their bonds at the time they purchased them, and they advised them not only to hold their bonds, but said to them that they were amongst the best and safest securities in this market. I mention this as an illustration of the effect which the unfortunate agitation of the silver question at first produced.

In the Congressional Record of November 9, page 8, I notice a statement made by Mr. Harrison, in debating the silver bill, as to the circulation of money in France, and also to the effect that France has not resumed specie payment; that France prospers as no other nation prospers. I mentioned in my last letter that a committee had been appointed by the Chamber of Deputies and the Senate to inquire into the cause of the depression of trade, commerce, and the industries of the conntry. There is no doubt but that a part of the depression arises from a want of confidence in the government, which tends to curtail business operations.

Different authorities differ widely as to the amount of money in circulation in that country. The master of the mint answered the inquiry which a friend of mine addressed to him for me, by saying that there was no means of ascertaining the amount of gold and silver in the country.

It is admitted that the circulation is twice as great as that of Great Britain, and to enable the people of France to transact their business more than twice the amount of money would be required in ready cash, for the reason that banks and checks are made use of to a very limited extent, almost all payments being made in cash. France has practically resumed specie payments. The Bank of France redeems its notes in coin, and its policy has been to contract its circulation and not to reissue its notes. In fact, the bank in paying a check drawn upon it will give

but a small proportion of the amount of the same in its notes, and unless a request is made for such notes the full amount of the check will be paid in coin. The bank will not issue or pay out any note less than twenty dollars.

The cash held by the Bank of France is £83,999,000, of which about twenty-five per cent. is believed to be in silver. The note circulation is £100,981,004.

The associates here think that the prospects of resuming sales of the four per cent. bonds, provided we have no unwise legislation, are good.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary, Washington, D. C.

No. 366.

Mr. Sherman to Mr. Belmont.

TREASURY DEPARTMENT,
Washington, December 1, 1877.

DEAR SIR: Your personal letter of the 29th ultimo is received. I sympathize with you in your view of the extreme folly of the Bland bill, but it seems to me the injurious effects of it may be greatly changed, and perhaps avoided, by proper amendments. I am not without hope that such will be the ultimate result. By the time you receive this you will probably have read the message of the President and my annual report.

I conversed fully with Mr. French upon one point I think you have not felt sufficiently assured, and that is if a call is made by me I will not ask you to protect the Treasury from that call in case the Bland bill becomes a law. The best use that could be made of the gold in that event would be to redeem 6 per cent. bonds and let resumption go. With the shock created by the passage of such a bill it might not be possible to sell bonds. Still, if in office, I would deem it my duty to make the utmost effort to sell, so that my inability to sell would be proven. I still hope you will see your way to commence again, and have explained to Mr. French fully my reasons for this.

Very truly, yours,

JOHN SHERMAN.

AUGUST BELMONT, Esq.

No. 367.

Mr. Sherman to Messrs. Colgate & Co.

TREASURY DEPARTMENT, *December* 1, 1877.

Messrs. JAMES B. COLGATE & CO., *New York:*

GENTLEMEN: Your letter of the 20th ultimo was duly received, but was not answered sooner because of other more pressing official engagements, nor did I think you expected an answer until I saw your letter in the public prints, with some comments upon it, indicating that so favorable an offer ought to have received more prompt attention.

You offer to purchase $150,000 four per cent. bonds if I will receive

in payment silver bullion to an amount sufficient to coin one hundred and fifty thousand silver dollars containing in each 412½ grains standard silver.

I am authorized to issue these bonds only at par for coin, and, as gold coin only is authorized by law, I can only receive gold coin. This department has sold within six months over $75,000,000 of these bonds at par for gold coin.

With $150,000 of bonds or gold coin I can now buy silver enough to coin 163,830 of the silver dollars you offer, or, to state it differently, you can buy with $137,337 of gold coin enough silver dollars to pay, as you propose, for $150,000 four per cent. bonds, and thus, as an experienced broker, you can make the handsome profit of $12,663. It is true you offer to take silver dollars for your interest; but I do not see how this helps the government, unless it makes this the pretext to pay silver dollars to those who paid gold for their bonds; but you would hardly think this fair or honest.

The government might find this expedient to pay a cheaper dollar so convenient that it might think it better to adopt the Latin ratio of 15½ of silver to one of gold, and coin a dollar of 400 grains with which to pay you. I know you would not think this fair or honest.

Or it might think a subsidiary dollar containing 385 grains good enough to pay a bondholder. This, I am sure, you would not think fair or honest.

I must therefore, respectfully decline your offer, and ask you to pay gold coin, as others have done, with the confident hope that the United States will never pay you in a coin of less value than it exacts of you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 368.

Mr. Belmont to Mr. Sherman.

NEW YORK, *December* 2, 1877.

MY DEAR SIR: Allow me to express to you my thanks and great gratification for the publication of your excellent letter to Messrs. Colgate & Co.

I have at once telegraphed its purport to my friends in London, and I have no doubt of its very beneficial effect upon both sides of the Atlantic, where confidence had been really much more shaken by the Bland bill than you perhaps realized. I have again telegraphed at the same time the importance of renewal of sales and calls, hoping only that the unequivocal tone of the President's message on *the vital question of our public faith* may still further allay the fears of investors.

To-day being Sunday, I shall not be able to see my associates, but I shall confer with them to-morrow, and you may rely that nothing shall be left undone on my part which can assist in the furtherance of your views. You cannot be more anxious than myself for the success of your refunding and resumption operations, and I hope time will prove to you the sincerity of my professions.

Yours, very truly, AUGUST BELMONT.

Hon. JOHN SHERMAN, *&c.*

No. 369.

Messrs. Colgate & Co. to Mr. Sherman.

NEW YORK, *December* 3, 1877.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: Yours of the 1st instant is this day received. As it was published in the evening journals of Saturday last, a copy was doubtless procured from your office, from which source ours of the 20th ultimo probably obtained its publicity, as we furnished no copy for the press.

We simply inquired of you whether you would accept an offer for "150,000 United States 4 per cent. bonds, interest and principal payable in silver dollars of 412½ grains standard fineness, and we to deposit in the United States assay office an amount of silver bullion which would produce the sum required to be paid in such silver dollars at par." We looked for a simple answer—yes or no.

We are at a loss to know what ulterior ends you had to serve in replying to our letter in such an extraordinary manner, and so early furnishing a copy to the press.

We thank you, however, for the calculation of profits, specious as it is, which you suppose we would make, provided our offer had been accepted. We think it, however, entirely uncalled for, as it is generally conceded we are fully competent to make our own calculations.

As one good turn deserves another, will you please excuse us if we make a suggestion how the Treasury could profitably use the 150,000 silver dollars we offered in payment. These silver dollars from the year 1862, at which time the government began freely to issue its 6 per cent. bonds, were always at a premium above gold, until they were dropped from the list of authorized coins in 1873–'74, and at which time they were worth about par in gold. We suggest that the Treasury could now use the 150,000 silver dollars, and make from it $160,381$\frac{2}{100}$ subsidiary coin, and dispose of it to the people at par in currency, thereby making a clean profit to the Treasury of $10,381$\frac{2}{100}$; but we would ask, do you "think this fair or honest?"

The Treasury has gained millions of dollars the past few years minting subsidiary coin, and selling it at par in currency to the people; each $1,000 of which weighing 55$\frac{5}{8}$ ounces less than $1,000 of the discredited dollars of our fathers, and we would ask, do you "think this fair or honest?"

Why not issue a silver bond? We have about 64 millions of currency bonds, interest and principal payable in currency, and about 17 hundred millions of bonds, interest and principal payable in *coin* now gold, because the silver dollar is *demonetized*, and why not have bonds payable in silver?

The Constitution of our country has deprived the several States of the right of coinage, and makes gold and silver only a lawful tender. This being so, we would, with all due respect, inquire why one man, who digs a thousand dollars of gold from the earth, should have the product of his labor made into coin *without expense*, and another digs a thousand dollars of silver, and the product of his labor be reviled, stigmatized as a swindle, and refused coinage; do you "think this fair or honest?"

Our proposition was distinct, that the principal and interest on the bonds should be paid in silver dollars. The intimation, from so high an authority as yourself, that the government might reduce the value of the dollar, and "might find this expedient to pay a cheaper dollar so

convenient that it might think it better to adopt the Latin ratio of 15½ of silver to one of gold, and coin a dollar of 400 grains with which to pay you"; "or it might think a subsidiary dollar containing 385 grains is good enough to pay a bondholder"—this intimation is exceedingly painful to us, as it must be to others.

We should not have written the above had you simply declined our offer; but as you launched out into profits, fairness, honesty, &c., we deemed it proper to reply.

With great respect, truly yours,

JAS. B. COLGATE & CO.

No. 370.

Mr. Sherman to Messrs. Colgate & Co.

TREASURY DEPARTMENT, *December* 4, 1877.

Messrs. JAMES B. COLGATE & CO., *New York:*

GENTLEMEN: Your letter of yesterday is received, in which you state that a copy of your letter of the 20th ultimo was not given to the press by you.

I would not have allowed my letter to be given to the press had I not supposed that your letter was published by you, for it certainly was not given out by this department, and I should not have deemed it my duty to answer it, except, as you say, by declining your offer, but for the publication of your letter, copies of which were certainly used here as an argument in favor of paying outstanding bonds in silver dollars. I deem this explanation due you, as no one would be more careful about publishing ordinary business communications than myself.

I perceive from your letter of the 3d that we do not disagree that it is right to pay the bonds in the currency or coin in circulation at the time of their issue.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 371.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *December* 4, 1877.

SHERMAN, *Washington:*

Please send me in dispatch bag, 4 per cent. registered bonds, 10 50s, 25 100s, 50 500s, 100 1,000s. CONANT.

No. 372.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *December* 5, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We have the honor to confirm our telegram of this morning, in which we had the pleasure of informing you of Messrs. Rothschild's

consent to a new call for ten millions, and hope that it reached you promptly.

Messrs. Rothschild telegraph that they consent to the call in order to evince their desire to please yourself as well as the President, and they make it with the understanding and on condition, as proposed in your favor of the 5th instant, that the call be assumed by the Treasury Department for the sinking fund in case of hostile legislation and sales of 4 per cent. bonds cannot be effected.

The associates are desirous to further sales of the 4 per cent. bonds as much as possible, and believe it would be advisable to avail of the proposed plan of reaching small investors through the medium of the post-offices. Before we issue the circulars to this end we beg however to observe that it is necessary to success in this plan that the bonds should be offered in a currency price equivalent to gold. We would, therefore, suggest that if consistent with your arrangements you fix a price for gold upon which to base the currency price for the bonds, say for one million at a time and for 30 days.

In one of your former letters on this subject you led us to hope that you would be able to make an arrangement of this nature, and we shall be glad to hear that it is in your power to do so.

The price of gold could be fixed with the understanding that it is subject to revocation by you at any time, should circumstances require it, after the expiration of the 30 days.

Awaiting your kind reply, we remain, yours, very respectfully,

AUG. BELMONT & CO.

No. 373.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *December* 6, 1877.

SHERMAN, *Washington:*

Rothschilds have cabled Belmont authorizing 55th call $10,000,000 according to the proposition submitted by Secretary Treasury to Aug. Belmont & Co.

CONANT.

No. 374.

Fifty-fifth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1877.
Department No. 140.
Secretary's Office.

TREASURY DEPARTMENT,
December 6, 1877.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 6th day of March, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 44001 to No. 50000, both inclusive.
$100—No. 76001 to No. 85000, both inclusive.
$500—No. 57001 to No. 60000, both inclusive.
$1,000—No. 96001 to No. 108000, both inclusive.
Total coupon $6,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 1601 to No. 1750, both inclusive.
$100—No. 13101 to No. 14100, both inclusive.
$500—No. 8301 to No. 8700, both inclusive.
$1,000—No. 27401 to No. 28750, both inclusive.
$5,000—No. 7651 to No. 8050, both inclusive.
$10,000—No. 13551 to No. 14850, both inclusive.
Total registered 4,000,000

Aggregate 10,000,000

The amount *outstanding*, included in the numbers above, is $10,000,000.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners*,

JOHN SHERMAN, *Secretary.*

No. 375.

Mr. Spaulding to Mr. Sherman.

300 W. WASHINGTON STREET,
Chicago, December 6, 1877.

DEAR SIR: Is the department free to receive propositions, if coming from responsible parties, for the sale of the remainder, or unsold portion, of the 4 per cent. United States bonds?

Would a proposition to sell the entire issue at par within one year, for a commission of ⅜ of 1 per cent. inclusive of expenses of advertising and sale, be entertained, if made in good faith by responsible parties, within thirty days, or before January 1, 1878?

Respectfully, yours, M. C. SPAULDING.

To the SECRETARY OF THE TREASURY,
Washington, D. C.

No. 376.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 6, 1877.

DEAR MR. SECRETARY: On the 4th instant I had the honor to send you a dispatch in cipher, which, in substance, was to the effect that the

President's message and your report to Congress were well received here, and that on account of the tone of the same the price of our securities had risen. I have since then cut from and mailed to you the editorials and comments upon the message and report which have appeared in the leading newspapers here, and when taking into consideration the very brief telegraphic summary upon which the editorials were based, I think that you will agree with me that they are as favorable as could be expected. I also inclose herewith leading articles from the Standard, Globe, and Times, upon the same subject.

To restore confidence (which had been very greatly disturbed by the passage of the Bland bill by the House, and by the report of the Finance Committee of the Senate) something was needed equivalent to an official declaration that such measures as those which had been proposed could not become a law, and the people here feel that in the message and report they have such a declaration. It must be clear to every one that the Bland bill did not pass the House upon its merits.

Germany has been withholding sales of silver for some time past, and it has been hinted that the managers of her affairs have been hoping that through our legislation a better market and better prices might be found for silver in America than can be realized here. France would find it very profitable to demonetize silver if any measure similar to the Bland bill should become a law. That country has not, during the past year, coined one-half of the amount of the silver coinage allotted to it by the Latin Union, and yet it is flooded with silver. A great amount of silver is sent into that country from the states which surround it, which have coined the full amount of silver allotted to them.

I sent a cable message to you on yesterday, saying that the Messrs. Rothschild had telegraphed to Messrs. Belmont & Co. authorizing the fifty-fifth call for $10,000,000 in accordance with the terms mentioned by you to that firm in a letter which Messrs. Rothschild & Sons understand to be as follows, viz: That if any legislation shall be enacted which shall prevent the sale of the four per cent. bonds the called bonds shall in such case be applied to the sinking-fund. The call, it seems to me, may have a good effect upon legislation. It was announced in a manner through a dispatch to the Times (see inclosed clipping) which cannot fail to produce a good effect here.

A small amount of four per cent. bonds was sold here on yesterday for par and accrued interest.

The price of gold in New York on yesterday, $102.50, is taken here as an indication that your report and the message will have its due weight with Congress, and will prevent unwise legislation.

I hope to receive copies of your report for distribution.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 377.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *December* 7, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We beg to acknowledge receipt of your favor of the 6th instant, the contents of which have been duly noted.

We shall prepare the circulars inviting subscriptions through the medium of the post-offices at the earliest possible day, and in the meantime Mr. French will come to Washington to consult with you as to the details of the plan.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

Mr. French leaves by the limited express on Monday morning.

No. 378.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 8, 1877.

DEAR MR. SECRETARY: I inclose herewith clippings from newspapers and periodicals of articles on the President's message and on your report. The Edinburgh Review and other quarterly magazines will undoubtedly comment upon the same, and as soon as they can be obtained I will procure copies of them and send them to you. Upon receipt of copies of the message and report, I shall distribute a sufficient number of the same among the leading newspapers and journals here, and shall send a few copies to Edinburgh and Paris.

I am very glad to know that a recommendation is embodied in the message that a law be passed imposing duties upon tea and coffee. I have often thought, in connection with the subject of resumption, of the great mistake that was made through the repeal of the tax on those articles, and especially since I have been here, where the free-trade element prevails to such a great extent. The British Government collected in 1876 £3,728,311 from duty on tea (the duty being six pence per pound), and on coffee £205,836, the duty being two pence per pound on kiln-dried, roasted, or ground, and on raw fourteen shillings per cwt., and no complaint is made by the people by reason of it. The amount of the tax collected would not only add so much to the revenue of the government, but it would cheapen the price of the articles in countries where they are produced by an amount equal to the amount of the duty, and consequently save that amount of gold to us. If I remember correctly, it was ascertained soon after the tax on coffee was abolished that the Government of Brazil levied an export tax on that article equal to the duty which we had repealed.

The price of money has advanced about one-fourth per cent. during the current week, but it has no significance so far as the future is concerned. The rate of discount is now about 3⅜ per cent.

It was reported here on yesterday that £100,000 in gold had been withdrawn for New York. I think, however, it was destined for Canada.

With great respect, I am your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 379.

Mr. Sherman to Mr. Spaulding.

TREASURY DEPARTMENT, *December* 10, 1877.

M. C. SPAULDING, Esq.,
No. 300 West Washington street, Chicago, Ill.:

SIR: Your letter of the 6th instant, in which you inquire whether the department is free to receive propositions from responsible parties for the sale of the remainder or unsold portion of the 4 per cent. United States bonds, and whether a proposition to sell the entire issue at par within one year for a commission of ¾ of 1 per cent., exclusive of expenses of advertising and sale, would be entertained, has been received.

In reply I have to state that one-half of 1 per cent. is the entire amount authorized by law to defray expenses of preparing, issuing, advertising, and disposing of the bonds, and the proposition mentioned could not, therefore, be entertained.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 380.

Mr. Sherman to the Attorney-General.

TREASURY DEPARTMENT, *December* 12, 1877.

Hon. CHARLES DEVENS,
Attorney-General:

SIR: Respectfully referring to section 3699 United States Revised Statutes, I wish to submit for your opinion whether I am authorized under that section to fix a price for gold for a limited number of days, with a discretionary right to terminate at pleasure the period for which the limit is made.

In the sale of 4 per cent. bonds, under the refunding act, it becomes important to facilitate the purchase of bonds by our fellow-citizens throughout the United States by the use of postal orders and certificates or drafts of local banks. As I can only receive coin for such bonds, the associates who have undertaken to sell the bonds cannot fix the currency price unless I am willing and am authorized to sell gold within a limited period, at a rate to be fixed by me, subject to the power at any time to change it so as to conform to the market rate.

The object proposed is beneficial to the public, and if the discretionary power is vested in me, it would only be exercised for this purpose and with great care.

I will be pleased to receive your answer as early as convenient.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 380½.

Messrs. Belmont & Co. to Mr. F. O. French.

NEW YORK, *December* 13, 1877.

F. O. FRENCH, Esq., *Washington:*

DEAR SIR: We duly received your telegram of yesterday, for which we are much obliged, and have also this morning your letter, with the

prospectus for the sale of the 4 per cent. bonds, to be distributed through the post-offices.

We have submitted the latter to the associates, and hand you herewith copy of a letter from Mr. Fahnestock, in which he expresses approval of the prospectus, but considers the present moment, on account of the renewed danger from the silver movement, as very unpropitious for the attempt to sell bonds. The associates to whom we have shown this letter, as well as we ourselves, agree fully with the views expressed therein, and leave it to you to show the same to the Secretary, if you should think it advisable.

We shall do nothing in the matter until your return; when we can confer further on the subject.

We remain, very respectfully, yours,

AUGUST BELMONT & Co.

NOTE.—Original indorsed: "Treasury Department, December 14, 1877. Filed by Mr. French as the reason why the sale of bonds is not pressed. John Sherman, Secretary."

[Inclosure to above.]

FIRST NATIONAL BANK,
New York, December 13, 1877.

DEAR SIRS: This prospectus is very good, but I hope you will in reply state (whilst approving its form) that to issue it at a time when 4s can be bought in this market for cash at 98⅞ and interest, gold, or on sellers' option at less than 98, would be *worse* than useless.

The Secretary should discourage the efforts of the repudiators by showing that they destroy his funding, rather than to attempt (hopelessly) to make headway against them.

Yours truly, H. C. FAHNESTOCK.

Messrs. AUGUST BELMONT & Co.

[Inclosure to above.]

UNITED STATES FOUR PER CENT. FUNDED LOAN.

The bonds are dated 1st July, 1877; bear interest payable quarterly in coin on first days of January, April, July, and October, and are redeemable in coin after 1st July, 1907.

The loan is issued in coupon bonds, in denominations of $50, $100, $500, and $1,000. And in registered stock, in denominations of $50, $100, $500, $1,000, $5,000, and $10,000.

The interest on the registered stock will be paid by check issued by the Treasurer of the United States to the order of the holder and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the Treasurer and assistant treasurers of the United States. The coupons and interest checks can be cashed at any bank or bankers.

The bonds are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority. Under authority of a contract with the Secretary of the Treasury, the undersigned will, until further notice, re-

ceive subscriptions for the U. S. four per cent. bonds at par and accrued interest, in gold coin, or, in lieu of coin, United States notes or drafts on New York, at their coin value on the day of receipt in the city of New York, or on subscriptions for sums not exceeding $100 in postal orders, payable to Messrs. August Belmont & Co., New York, at the fixed rate for gold, but reserving the right to change that rate from day to day, or discontinue such rate altogether, by notice in any newspaper at Washington or New York.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, by the national banks and bankers generally, and by the United States postmasters. The applications must specify the amount and denominations required, and for registered stock the full name and post-office address of the person to whom the bonds shall be made payable.

The registered stock will be forwarded by registered mail; the coupon bonds will be forwarded to nearest point by express.

AUGUST BELMONT & CO.,
New York.
DREXEL, MORGAN & CO.,
New York.
J. & W. SELIGMAN & CO.,
New York.
MORTON, BLISS & CO.,
New York.
FIRST NATIONAL BANK
OF THE CITY OF NEW YORK,
New York.
DREXEL & CO., *Philadelphia.*

DECEMBER 17, 1877.

No. 381.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 13, 1877.

DEAR MR. SECRETARY: As I mentioned in my last letter, your very interesting letter of November 24 did not reach me until the 8th instant, Saturday last. You observe that the silver bill and the resumption question will be the subject of long debates in the present regular session of Congress. If that shall be the case it seems to me that we cannot anticipate any active renewal of refunding operations at present. The effect of prolonged discussions of these questions in Congress will be to keep the price of our securities depressed, and not only prevent sales from being made at present, but, I fear, also from being made for some time to come. The fact cannot be disguised that through the discussions which have taken place in the House and Senate confidence in our national integrity and honor has been very much disturbed, and also that the same has caused a great deal of distrust as to our honesty of purpose towards our creditors, both public and private. The concurrent resolution recently introduced into the Senate by Senator Matthews, boldly declaring that the principal of and the interest on the public debt issued or authorized to be issued prior to the demonetization of silver, and the discussions on the same on Monday last, an account of which

was telegraphed to the Times on yesterday, with the statement that the silver bill would be passed by a good majority, has caused a great d al of excitement and agitation amongst the holders of our securities here. I heard of a number of instances on yesterday of holders of our bonds expressing a want of confidence and of their offering their bonds for sale. In one case a party insisted on selling at any price. We have lost ground which it will take us some time to regain.

I had hoped that the able and unanswerable arguments made in your report, and in the President's message, would impress the fact upon the minds of a great many of the Senators and members, that in favoring the unlimited issue, &c., of silver, they were committing a grave error and making a great mistake, and that they were placing all of the material interests of the country in great peril and danger, and that consequently a sufficient number of them might change their votes to enable the opponents of the bill to defeat it.

But, according to the Times' Philadelphia correspondent's dispatch, it appears that fears exist that the bill may be passed over a Presidential veto. The passage of Matthews's resolution would have almost as injurious an effect upon our credit as it would if it were really embodied in legislation, and I suppose that it is the intention of its friends that it shall have. A great deal of uneasiness has been manifested here to-day, and anxiety will increase as suspense is prolonged. It was remarked to me to-day at an American banking house, that it required but little additional excitement here to produce a "big scare." But for the agitation of these questions we should at the present time have a fair market here for the sale of our 4 per cent. bonds. It seems strange to me that Senator Matthews cannot see that even if the law is technically susceptible of the construction which he seeks to put upon it by his resolution, the passage of such a resolution would strike a death-blow to the present and future credit of the country, compared with which everything else is a mere nothing. I note that you state that the strength of the movement for the remonetization of silver rests upon the mistaken idea that the silver dollar will advance to par in coin. It is a mistaken idea, and I do not believe that a greater mistake has ever been made. *The other great nations of the earth will never again recognize silver as a standard. Further demonetization is far more likely to occur than is any remonetization.* I have an abiding faith that we shall yet escape from harm and danger.

With great respect, yours truly, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 382.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, December 15, 1877.

DEAR SIR: I have received your letters up to the first instant, and also your telegram of yesterday. I did not answer the letter, as it was impossible to do so definitely.

Congress adjourns to-day over until the 10th day of January, without passing either the resolution of Matthews or the silver bill. I have no

doubt the resolution of Matthews will be passed if it comes to a vote, although, it being merely declaratory, the silver men may not deem it to their interest to force it to a vote, but, instead, will take up the silver bill and act upon it.

If the silver bill is so amended as to limit the coinage to the government to be issued from bullion purchased by the government, and if the public debt is excepted, it will pass by more than a two-thirds majority; but I still hope that without these necessary amendments it may in the end be defeated. The weight of public opinion in the West and South is very strong in favor of the remonetization of silver, and it is probable that in some form it will be adopted. The feeling, I hope, is growing to except the public debt and to limit the coinage, so that silver can be maintained at par with gold. The general principle of redeemability stated in my annual report is rather gaining ground, and, perhaps, if time intervenes before the passing of the bill, may win its way into favor in Congress.

As you have no doubt been advised, we had arranged to go on with the loan shortly after the meeting of Congress, but the action in the Senate again disturbed the market, and now it is concluded best not to press the matter for some time. I am extremely embarrassed by this, and may have to protect the call already made from gold on hand, and thus deplete my preparations for specie resumption; and I cannot hope to succeed in this policy if the result of the pending legislation disables me from selling four per cent. bonds. This is rather a discouraging prospect for the future, but I feel that I have done my utmost to carry out the law, and will still continue all proper effort in the hope that something will turn up that will enable me to succeed.

There is a growing feeling here that I should terminate the contract with the syndicate, but I have not yet formed any opinion myself.

Your letters have been very satisfactory, and I hope you will continue to write as frequently and fully as you find opportunity and facts to write.

Very truly, yours, JOHN SHERMAN.

Hon. C. F. CONANT, *London.*

No. 383.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *December* 15, 1877.

SHERMAN, *Washington:*

Market excited; greatly depressed. Bonds down 1¾ per cent.; many being offered; caused by concurrent resolution. Will it be adopted?

CONANT.

No. 384.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 15, 1877.

DEAR MR. SECRETARY: I had the honor to send to you on yesterday a cable dispatch as follows: "Market excited; greatly depressed; bonds down 1¾ per cent.; many being offered; caused by concurrent resolution.

Will it be adopted?" to which I have not as yet received a reply. The concurrent resolution introduced by Senator Matthews has caused a great deal of alarm here. It is looked upon as meaning partial repudiation, and people reason very naturally that if the prevailing sentiment of the American people is at the present moment in favor of partial repudiation, that sentiment may be found in a little while to be in favor of entire repudiation. Most all of the five, four and one-half, and four per cent. United States bonds which have been placed in this market were paid for in gold. The Germans and the Dutch who purchased our 6 per cent. bonds when the premium on gold was very high did not exchange them, as they were "called in," for bonds bearing a lower rate of interest, but they received their pay for them in gold. The English people, during the past six years, have been the principal foreign purchasers of our securities. They had, during that period, come to regard our securities as amongst the best, and, in fact, it may be said that they have considered them as the equal of "consols." Our bonds have been maintained at a more uniform price in this market than any other securities have been; there has been less variation in the price of them than in the price of consols.

At the time when Russia declared war against Turkey consols dropped 1 per cent., but our bonds were scarcely affected; they were quoted only one eighth per cent. lower. It has been proverbially said here that the price of American securities never fluctuates. The discussion of and action on the Bland bill created some uneasiness here, but in the introduction of this resolution a direct blow has been aimed at our national credit. It appears by the dispatches sent to the press here that no vote will be had upon this measure until after the holidays. It is to be hoped that in the mean time a change may be effected in public sentiment and the measure defeated. Business people, bankers, and merchants here understand very well that the price of silver cannot be restored to its former value.

The investigation made by Parliament of the subject and the discussion thereon and the publications concerning it have given the English people a good knowledge of the question. The tendency of the price of silver is downward. I send herewith copy of the Bankers' Magazine for December. It contains an excellent article on the "silver question." I also send clippings from various newspapers of articles relating to silver, &c. Also a part of the Economist, containing comments on your report.

With great respect, I remain, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 385.

The Attorney-General to Mr. Sherman.

DEPARTMENT OF JUSTICE,
Washington, December 17, 1877.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: In answer to the inquiry of your letter of the 12th instant, as to whether under section 3699 of the Revised Statutes the Secretary of the Treasury is authorized to fix a price for gold for a limited number of

days with a discretionary right to terminate at pleasure the period for which the limit is made, I have the honor to say:

The section referred to, after providing that the Secretary of the Treasury may anticipate the payment of interest on the public debt, adds, "and he is authorized to dispose of any gold in the Treasury of the United States, not necessary for the payment of interest of the public debt. The obligation to create the sinking fund shall not, however, be impaired thereby."

The authority given by this section is full and ample to dispose of the gold not needed for the payment of interest on the public debt in any manner that the Secretary of the Treasury may deem most for the public interests. No limitation is prescribed as to notice to be given by him or as to the amount which he may sell, other than the one indicated. That this was so intended at the time this statute was passed is evident from examining the debate which accompanied it. While the contemporaneous construction given in legislative discussion is not conclusive, it is often important to be considered in deciding the true intent and meaning of an act. By examining this discussion (Cong. Globe, 1st. sess. 38th Cong., Part 2, pp. 1023–44–45–1136,) it will be seen that it was fully contemplated that the power given to the Secretary should not be subject to any limitation except the one distinctly indicated, and that he was invested thereby with the largest discretion.

I am therefore of opinion that if the Secretary of the Treasury deems that, by fixing a currency price for gold within a limited period, subject to his power at any time to terminate the period for which the limit was made or to change such price so as to conform to the market rate, he is exercising a wise discretion, in order to facilitate the sale of the bonds of the United States, he may properly do so. In so doing, however, he should keep before him the object intended to be reached by the act of July 14, 1870, commonly known as the "refunding act," and that of January 14, 1875, commonly known as the "resumption act."

Very respectfully, your obedient servant,

CHARLES DEVENS,
Attorney-General.

No. 386.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 20, 1877.

DEAR MR. SECRETARY: I inclose herewith one page of The Financier, of this day's issue, on which is printed the circular of Messrs. McCulloch & Co., on financial affairs in the United States, dated New York, December 8, from which the inference is drawn that more than two-thirds of the Senators, if not in favor of the Bland bill, are in favor of the remonetization of silver. This I observe accords with the views of the New York Times, as expressed in an editorial in its issue of the 7th inst., which was received to-day. The circular referred to will be copied by a large number of newspapers. The press here has heretofore, as a rule, treated the subject very fairly, and has not, with the exception of one or two instances, sought to create alarm or distrust of our securities. People here generally think that no unwise or unjust legislation can become a law. In their reasoning they do not make allowance for the difference which exists between the system of English legislation

and ministerial action and that of our country. Besides all this, they hardly believe that the people of the United States are so dishonest as to sanction partial repudiation.

The recovery of the prices of our bonds and the decline in the premium on gold in the New York market has had a marked effect on the prices of our securities as well as upon the feeling in regard to the same in this market. In any period of excitement affecting the prices of our securities, the New York market exerts an influence upon the market here just in the same manner and to the same extent that the conditions of the Paris Bourse, the Vienna Bourse, and the Berlin Bourse exert an influence on the prices of securities that are dealt in here and in those markets. But the danger which seemed imminent here last week, on account of the agitation, was that the holders of our securities might, by reason of the alarm which was quite prevalent, offer large amounts of their holdings at prices much lower than their value and in larger sums than could be disposed of, and that, as a consequence, a panic might ensue which would crush the market here and in New York. The market is now very quiet, and, so far as I can learn, none of our securities are now being offered for sale for any other than ordinary business reasons.

Little or no business will be transacted until after the holidays, so that, in the mean time, there will be but little opportunity afforded for judging of the feeling in regard to our securities.

I also send herewith copy of The Times of Tuesday, in which the President's message is reproduced entire. I also send clippings from The World and Daily News.

With great respect, yours, very truly, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 387.

The Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE,
Washington, December 26, 1877.

The Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I have the honor to inclose herewith, for your information, a copy of dispatch No. 60, of the 8th instant, together with its inclosure, from the consul-general of the United States at Frankfort-on-the-Main, Germany, in relation to the effect of the President's message and the report of the Secretary of the Treasury in that country.

I have the honor to be, sir, your obedient servant,
WM. M. EVARTS.

Inclosures.

Mr. Lee to Mr. Seward, No. 60, dated December 8, 1877.
Translation from German paper.

[Inclosure.]

No. 60.] UNITED STATES CONSULATE-GENERAL,
Frankfort-on-the-Main, December 8, 1877.

Hon. F. W. SEWARD,
Assistant Secretary of State:

SIR: I am gratified to be able to say that the annual message of the President and report of the Secretary of the Treasury, of which very full abstracts have been published in the European press, have had a most salutary effect upon the state of feeling with regard to United States securities, and have elicited the warmest possible encomiums from financial and business circles in this part of Germany. As soon as the financial recommendations of the message and report were definitely known the four-and-a-half and five per cents of our government advanced one-half to one per cent. in this market; an advance that would undoubtedly have been maintained, but for the call for redemption that was directly afterwards made. Referring to my No. 51 concerning the effect of the silver discussion in Congress, I have to inclose herewith a translation I have personally made from the Frankfurter Handelsblatt of recent date, which may be considered as reflecting the popular second thought as to the effect of the adoption by the United States of such a double standard measure as the writer describes. He reasons, as will be seen, that the loss that would accrue from such a measure to German holders of our securities could not be much greater than two per cent., or the cost of exporting silver to America, and there having it recoined and exchanged into gold. He also anticipates that considerable profit might be gained by the sale of silver in out market. It may be added to this that the holders of Austrian silver rentes, of whom there are a large number in Germany, and, indeed, the German Government itself, which is yet in the condition of a speculator in silver, would expect benefit rather than detriment from such legislation as this writer refers to. Public sentiment on this subject is, therefore, by no means necessarily in harmony with the views and feelings of United States bondholders in Germany. On the contrary, it is not impossible that the prevailing feeling might, under the continued agitation of this subject, develop itself as quite the opposite of theirs. As incidental to this general subject I have to advise the department that a four per cent. Prussian loan of fifty million marks was put upon the market the present week at 93¾ per cent., and that subscriptions have already been offered for nearly six times the amount. The money market of Frankfort is now in a much easier state than it was at the beginning of October. The bank rate of discount has declined from 5 @ 5½ to 4½ per cent., while the open market rate is now 3¾ @ 3⅞ per cent.

I am, sir, your obedient servant,

ALFRED E. LEE,
Consul-General.

Inclosure.

Translation from the Frankfurter Handelsblatt.

[Inclosure.]

Communication to the Frankfurter Handelsblatt.

(Extract.)

The proportion of values between gold and silver in the United States is fixed by the bill of the House of Representatives at 1:16. That is, a pound of gold is equal to 16 pounds of silver of the same standard of fineness. The value of a pound of fine gold having been established at 1,392 marks, it follows that the pound of fine silver in America would be worth for us always $\frac{1}{16}$ of 1,392 M. = M. 87; or, taking as a basis the selling price of the English Bank for standard gold, viz, 77*s.* 11*d.*, the standard ounce of silver would always be worth for England 59*d.* Since, now, after the intended adoption of the double standard every private person has the right to have silver and gold coined in America, so can silver be sent from every country to the United States for coinage at the fixed rate of 87 M. per pound, or 59*d.*, and be exchanged into American gold. It is self-evident that to determine the net proceeds of this process the cost of coinage (which is in America ½ cent per ounce of silver = 0.42 per cent.), as well as the cost of transportation and other small expenses, should be deducted. Not to make too low an estimate the total expenses for export from Germany may be fixed at two (2) per cent., and from England at 1¼ per cent. It may be observed that, as the cost of coining silver in America is very low in comparison with other countries, an ad-

vance therefrom does not appear to be impossible. As soon as the value relation of 1:16 for gold to silver may be fixed, silver being procured cheaper in Germany (that is, at about 85½ marks, or 87 M., less 2 per cent. expenses, per pound, or, in England at 57.95*d.* per standard ounce, *i. e.*, 59*d.* less 1¼ per cent. expenses), it will naturally take flight to America, where it will find plenty of hands ready to reap the profit of the operation. Since, now, America must be a receiver of every quantity of silver, the space of time within which silver would be receivable in any other country under like fixed conditions as in the United States would be very short. It is evident, therefore, that the exchange of American silver for American gold (a short time excepted which would be necessary for adjustment of the equilibrium here and there) could not cause a greater loss than 2 per cent. in Germany. The loss to the bondholders by the depreciation of coupons and bonds through the introduction of the double standard could, therefore, amount to only perhaps 2 per cent. on the amount held here.

This further contingency is to be considered, that possibly the United States may, in time, possess no gold coin, on account of its continued exchange for silver, and that practically a single silver standard would be introduced in place of a double standard. But such an event could scarcely happen for a year at any rate after the double standard should be established.

In general terms the bondholders have to hope that the debates now in progress, looking to this policy, may be meaningless and futile so far as the American administration is concerned.

No. 388.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *December* 27, 1877.

SHERMAN, *Washington:*

Registered bonds received. Please send me 4 per cent. registered bonds in dispatch bag—20 5,000s, 20 10,000s. CONANT.

No. 389.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, December 29, 1877.

DEAR MR. SECRETARY: The price of our bonds has fallen during the current week, and the offerings have been quite large. Both are to be attributed to doubts which have been raised as to whether the silver remonetization party has not sufficient strength to enact its measures into law over the veto of the President. In this connection I would invite your attention to the inclosed clipping from the monetary article in the Times of the 28th instant of a paragraph upon the subject.

Upon inquiry, I learn that the institutions which are offering and selling their United States bonds are principally insurance and trust companies. In regard to one institution, which disposed of $300,000 worth of our bonds on Thursday last, I am told that the officers of it acted upon the principle that they held these bonds in trust, and that considering that they had had warning that there would be a partial repudiation of them, they deemed it to be their official duty to dispose of them, especially as they could at the present time realize from a sale of them a sum equal to their original cost. The article in the Times, to which I refer, is severely criticised in the Bullionist, issued this morning. That journal says that the United States have damaged "their credit, and their refunding operations are stopped"; but the "prudent

investor" is advised to "wait" till, we suppose, repudiation is publicly proclaimed. The "prudent investor" is scarcely likely to follow such foolish counsels.

If the prices of our securities can be maintained in New York I think that private investors will, as a general rule, keep their holdings. A dispatch sent from Philadelphia to the Times and printed this morning, to the effect that the silver bill will not receive a two-thirds vote in the Senate, is quite reassuring, and will do good here.

If the agitation about the silver question had not occurred we should have had a good market here at the present time for our 4 per cent. bonds. In placing the 4½ per cent. bonds, the deliveries made here were fifty-two millions in the eight months from September to May, and in the following two and one-half months from May 1 to July 10, they were over thirty-two millions. The sales of the 4 per cents here would have increased in the same proportion. Persons who said to me when I first arrived here that our 4 per cent. bonds could not be sold in this market, because the rate of interest was too low for a foreign bond, &c., have, within the last two weeks, admitted that they were mistaken, and have said that but for the blow aimed at our national credit by the so-called silver party, these bonds would have found a ready market here.

I hope to receive a communication from you in regard to this subject by the mail due here on Monday next.

With great respect, I have the honor to be, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN.
Secretary of the Treasury, Washington, D. C.

No. 390.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, December 31, 1877.

DEAR SIR: I have your several letters up to the date of December 18, in which I have taken much interest.

I have not answered them as received because I had really nothing to say.

Since I wrote you last I have spent a week in New York, and saw the associates there, and had to concur with them that it was idle for us to attempt now any sale of bonds. The silver question is still threatening, and I have almost lost hope of getting the public debt excepted from the operation of the bill. Still further discussion in the Senate and developments now being made may cause Congress to grant express authority to sell four per cent. bonds for the purpose of refunding. I will do my utmost to secure this authority, and the President takes the same view. The various extracts from papers you have sent have been communicated to him, and they tend to strengthen his conviction of the policy he has adopted.

I suppose you receive files of the New York papers, which are all sound upon the question, while the Western and Southern papers are, as a rule, very urgent and pressing for the passage of the silver bill. It is not likely that the question will be disposed of before the last of January, nor perhaps then.

Very truly,

JOHN SHERMAN.

Hon. C. F. CONANT, *London.*

No. 391.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., January 8, 1878.

DEAR MR. SECRETARY: The market here for our securities has imprsved very much during the past two days, owing to the belief that the Bland bill will not become a law, and that no measure will be enacted into law which will be injurious to our credit. This feeling has been created by the tenor of the dispatches sent here from home.

Judging from a dispatch which Mr. Morton received from you on yesterday, and which he showed to me this morning, I am very much inclined to believe that there is a much greater feeling of confidence existing here that our national credit and honor will be preserved, than there is at home. In this connection I would suggest, if you have the opportunity, that you read the articles published on pages 3 and 11 of a journal entitled "The Week," a copy of which I send herewith. It is a new publication, and is edited by Mr. Jennings, formerly of the New York Times. I also inclose a clipping from the Times of the dispatch from its Philadelphia correspondent, which had the effect to send the price of our bonds up one half of one per cent.

I suppose that the advocates of the silver measure will argue that because the price of our bonds has not fallen more on account of the agitation of the silver question, that it is evidence that the national credit would not be injured by the passage of the silver bill, or that the value of our securities would be decreased thereby.

This is a great fallacy. It is because the people who hold our bonds have confidence and faith that such a measure will never become a law that prevents the price of them from dropping from ten to fifteen per cent.

The money market here is now in a condition which would, under favorable circumstances at home, enable us to go on with refunding. The rate for interest on deposits has been reduced to 2½ per cent., and money is very plenty.

I think there is no longer any reason to doubt but that the Eastern question will soon be settled, and when that event shall have taken place the market here will at once return to its normal condition; and money which has been locked up, awaiting events, will be brought forth for investment.

I have learned of a commercial matter which I think comes from good authority. It is this: Merchants and bankers here have loaned money on grain grown and stored in Russia, which, by reason of the blockade, could not be removed. As soon as negotiations for peace are concluded the grain will at once be removed and brought to this and other markets.

I understand that some of the dealers in grain at home have withheld their shipments because they could not realize the high price they expected to receive, and that this has been done to quite an extent.

It is not improbable that the Russian grain when brought here will furnish the necessary supply for a time required by this market. If so, our people may suffer quite a loss through holding their grain for speculation. Gold is now flowing to this market, and the feeling that at one time existed that large amounts would be required to pay for grain sent here from America has been dispelled, and the gold market is now getting into good condition.

The indebtedness to us for grain has been paid off in bonds, and,

under all the circumstances attending the discussion of the silver question, it has been very fortunate for us that the balance of trade has been largely in our favor.

In the last letter which I received from you, you stated that there was a growing feeling that you should terminate the contract with the syndicate; but that you had not yet formed any opinion in regard to it. This is a question which is not, perhaps, a proper one for me to discuss, and one concerning which I should not think of giving advice.

I believe that the former action of the department in the matter has been right. Some thoughts have, however, occurred to me which, perhaps, it may not be out of place for me to mention. I suppose that the general feeling at home is that the credit of our government has now attained such a high rank that its loan can readily be placed at par at a low rate of interest without the intervention of bankers. Since the time when refunding was begun there has constantly been a pressure brought to bear at intervals upon the department to induce it to conduct its funding operations directly with the people, and against the employment of bankers. Some of the newspapers have almost continuously advocated such a plan. The fact that the French Government placed a large loan by popular subscription, so-called, has been repeatedly brought to the attention of our people, and they have been naturally led to think that we ought to do equally as well with our loans.

But I do not think they have understood that the French loan was sold at about eighty-six to ninety cents on the dollar, nor have they considered that we have sold our bonds at par only, and that in that respect there has been a wide difference to our advantage in placing loans. Neither do they know that we have negotiated our loans more economically than other governments have done theirs. The management of the public debt of Great Britain costs that government quite as much as it costs us to manage ours, including our expenses in refunding operations.

If our debt was held at home, it would change the aspect of the case very much and make it more practicable to carry on operations without the aid of bankers. But even then the Secretary ought to have more latitude and more discretionary power than the law now confers upon him. But a vast amount of our debt is held abroad, and the question of paying off our foreign debt, even in the course of five or six years, in connection with any attempt to maintain specie resumption, it seems to me is quite a serious one, and one full of difficulties.

I do not exactly understand how specie resumption can be accomplished except by selling as many bonds abroad as may be held abroad and included in calls.

I supppose that whenever a revival of business shall take place at home there will be an increase in the value of money, and that, like other people, our people will invest their money in that which will yield the greatest return.

Four per cent. is a low rate of interest in a country comparatively new, and especially one that is developing as rapidly as ours is. Looking to the future, therefore, it seems to me we must depend to a greater or a less extent on a market here for our bonds, and if our credit is preserved intact a market for them can readily be found here.

As a general rule investors make their investments upon the judgments of bankers in whom they have confidence, and invest in accordance with their advice. This rule applies more generally to investors here than to those at home.

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If our debt was held at home, it would change the aspect of the case very much and make it more practicable to carry on operations without the aid of bankers. But even then the Secretary ought to have more latitude and more discretionary power than the law now confers upon him. But a vast amount of our debt is held abroad, and the question of paying off our foreign debt, even in the course of five or six years, in connection with any attempt to maintain specie resumption, it seems to me is quite a serious one, and one full of difficulties.

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I supppose that whenever a revival of business shall take place at home there will be an increase in the value of money, and that, like other people, our people will invest their money in that which will yield the greatest return.

Four per cent. is a low rate of interest in a country comparatively new, and especially one that is developing as rapidly as ours is. Looking to the future, therefore, it seems to me we must depend to a greater or a less extent on a market here for our bonds, and if our credit is preserved intact a market for them can readily be found here.

As a general rule investors make their investments upon the judgments of bankers in whom they have confidence, and invest in accordance with their advice. This rule applies more generally to investors here than to those at home.

You are probably as familiar as I am with the experience of the de-

partment in the attempt which it first made, without success, to place the five per cent. loan through Treasury agents and the banks.

I remember that nearly one-quarter of a million dollars were spent in advertising and in other ways to no purpose, and that after much valuable time had been lost, the scheme was abandoned. If an association of bankers had been employed at the beginning of operations, a large sum in interest would have been saved to the government. The government has gained in the saving it has made in the item of interest through the rapidity with which refunding has been carried on through an association of bankers, as compared with what would have been accomplished through the ordinary routine of the agencies of the department, an amount larger than it has paid in commissions.

With the exception of that portion of the 5 per cent. loan taken by the banks, the larger portion of it was placed here, and the fact cannot be disputed that its success here was due to the influence exerted by the bankers who had control of it.

Of the two hundred millions of the 4½ per cent. bonds, eighty-five millions were sold in this market.

The large amount subscribed for at home was undoubtedly due to the depression of business there which made an investment in that loan the most profiable way in which money could then be employed. The entire amount of the loan could have been disposed of here.

The future prospect of placing the 4 per cent. loan here, as well as of keeping our indebtedness abroad from being sent home, depends upon the action Congress may take upon the measures now pending before it.

* * * * * * *

I remain, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 392.

Maverick National Bank, Boston, to Mr. Sherman.

MAVERICK NATIONAL BANK,
Boston, January 10, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

DEAR SIR: Referring to the announcement in the New York Times of yesterday "that you proposed to employ the national banks as agents for the sale of the 4 per cent. bonds," this bank tenders its services to the department for that purpose, and will be pleased to receive an appointment as such agent.

How successful sales will be at this time, with the silver agitation before the country, is problematical, but we will give it our best attention, and do all possible to make it a success.

Of this we are sanguine, that were these bonds and all other issues free from any taint of being payable in silver, that with a proper effort a large amount could be placed with the people in small investments of $50 and upwards.

Sound security is now more sought than rates of interest, and in these

times of doubt a four per cent. gold bond could be made popular with small as well as large investors.

We shall be pleased to aid the government in this work, and remain, very respectfully

ASA P. POTTER, *President.*

No. 393.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, January 12, 1878.

DEAR MR. SECRETARY: The advance in the price of our securities during the past few days is something which, under the real circumstances of the case, is quite marvelous.

In the advances which took place, the market here almost led the New York market. It is attributable to the confidence which had been inspired in the minds of the holders of our securities during the past three days that the national credit will be preserved through the instrumentality of the President's veto, and to the feeling generally that the so-called silver party is losing ground, and that if the enactment of a law for the payment of the principal of and interest on the debt can be prevented for a time, in the mean time the people will naturally gain a better knowledge of the subject, and thereby, instead of favoring a scheme which, if successful, would involve them in inextricable difficulties, they will become opposed to it. This confidence and belief are mainly based upon telegrams sent here to the effect that the meetings held in opposition to the Bland bill by the bondholders and capitalists in New York, Boston, and elsewhere, have attracted serious and thoughtful attention throughout the entire country to the subject; that it has developed the fact that neither the South nor the West are a unit on the question, and further that there are evident changes in public sentiment in those localities in regard to the matter.

People here do not regard the movement in favor of silver as an honest attempt on the part of our people to remonetize silver in the interest of a currency reform, but as a makeshift or pretext to enable them to repudiate a portion of our national indebtedness.

They well know that no metal which has, like silver, fluctuated in value more than 25 per cent. during the past few years can safely or practically be adopted as a measure of value, and especially in view of the general belief that the price of that metal will continue to decline. France is flooded with silver, and there is, I am told, a growing feeling there in favor of greater restrictions on its circulation. As I mentioned in one of my former letters, the government of that country did not permit, during the past year, the coinage of more than one-half of the amount of silver allotted to that country by the so-called Latin Union. The silver with which the country is flooded has flowed into it from the states surrounding it.

The Bank of France is continuing its efforts to reduce its note circulation. It recently passed a resolution to reduce the circulation of its one-hundred-franc notes (a denomination of which nearly one-half of its circulation is composed) from about eleven hundred million francs to six hundred million francs. The chamber of commerce objected to the proposed reduction, and apprehending that the bank intended to substitute

five-franc pieces in lieu of the one-hundred-franc notes, *protested against it, affirming that the result would be such a depreciation of silver as to render the maintenance of the double standard impossible.* I will add that the chamber of commerce is a partisan of the double standard.

I inclose herewith clippings from various newspapers of articles relating to our bonds and silver.

I have it from good authority that the German Government sent £2,000,000 in silver here last week, and that it is to be held to await the action of Congress on the silver bill.

Money is again becoming very plenty and very cheap. On Thursday the bank rate was reduced to 3 per cent., but that is much higher than the market rate, which is about 2¼ per cent. The Bank of England had at the close of the year 1877 £4,182,095 less of gold than at the commencement of the year; the Bank of France lost £3,803,912; the Bank of Germany lost £1,276,000, and the Bank of Belgium £733,000 of gold during the same period.

By the latest return the amount of gold imported into Great Britain from the United States for the year ended December 31, 1877, was £2,061,858, and the amount exported to the United States was £1,167,630. The silver sent here from home during the same period amounted to £2,615,921, and the amount shipped from here to the United States was £297,890.

The trade return just published shows that the exports of the United Kingdom, of produce and manufactures, for the year 1877 amounted to £198,000,000, as compared with $200,000,000 in 1876, and that the imports for the year reached the sum of £394,000,000, as compared with £375,000,000 in the year 1876.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 394.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *January* 14, 1878.

Messrs. AUGUST BELMONT & Co., *New York:*

GENTLEMEN: In compliance with the second clause of the contract between the Secretary of the Treasury and yourselves and associates of the date of June 9, 1877, for the sale of 4 per cent. bonds, I give you notice that from and after the 26th day of January instant that contract is terminated. It is the desire of the President, in which I have concurred, to open subscriptions in the United States to the 4 per cent. bonds in a different way from that provided in our contract, and therefore this notice is given. I sincerely hope to have your active co-operation in the new plan, and am disposed, if you are willing, to continue in substance by a new contract with you the sale of these bonds in European markets, and invite your suggestions to that end.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 395.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *January* 15, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We beg to acknowledge receipt of your favor of the 14th instant, notifying us of the termination of the contract of June 9, 1877, for the sale of 4 per cent. bonds, on the 26th of this month, which we have communicated to the associates here and in London.

We have also communicated to our friends in London your willingness to continue the contract for the sale of the 4 per cent. bonds in Europe, with such modifications as may become necessary, and as soon as we have received their views we shall take pleasure in writing to you again for the purpose of appointing a conference on the subject.

In the mean time, we remain, very respectfully,

AUG. BELMONT & CO.

No. 396.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, January 15, 1878.

DEAR SIR: Your letter of the 3d instant is just received. I have no change to report since my last letter, on the question of silver remonetization. You will see from the New York papers the struggle that is now going on, with what result it is not possible at present to form a conjecture. The agitation of that question and the failure of several savings-banks have excited a very strong feeling in this country in favor of placing the popular loan within reach of the masses, so that it may be well distributed. This led me, after careful reflection, and with the consent of the President and Cabinet, to give notice of the termination of the syndicate contract, so far as the domestic loan in this country is concerned, and I have done so, a copy of which is inclosed. This notice was given only after a personal consultation with members of the syndicate and with the expectation and promise that they will participate in the new arrangement, and we will probably agree to the continuance of the syndicate in the European markets.

I will be able in a day or two to send you a copy of the new proposals for the popular loan, with such further information as I may then have.

I also send you a copy of a bill which has the sanction of this department, and is now pending before the Committee of Way and Means with a favorable prospect for its passage.

I see no occasion for a panic about our bonds in Europe, and I hope the information that has been received will prevent anything like general sales by the banks, as suggested in your letter. If you can do anything to counteract the tendency in that direction, I hope you will do so.

Very truly, &c., JOHN SHERMAN.

Hon. C. F. CONANT, *London.*

No. 397.

TREASURY DEPARTMENT,
Washington, D. C., January 16, 1878.

The Secretary of the Treasury hereby gives notice that, from the 26th instant, and until further notice, he will receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest, in coin.

The bonds are redeemable July 1, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The subscriptions may be made for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000.

Two per cent. of the purchase money must accompany the subscription; the remainder may be paid at the pleasure of the purchaser, either at time of subscription or within thirty days thereafter, with interest on the amount of the subscription, at the rate of 4 per cent. per annum, to date of payment.

Upon the receipt of full payment, the bonds will be transmitted, free of charge to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered bonds, the full name and post-office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the Treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the Treasurer and assistant treasurers of the United States.

Payments for the bonds may be made in coin to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco.

To promote the convenience of subscribers, the department will also receive, in lieu of coin, called bonds of the United States, coupons past due or maturing within thirty days, or gold certificates issued under the act of March 3, 1863, and national banks will be designated as depositaries under the provisions of section 5153, Revised Statutes of the United States, to receive deposits on account of this loan, under regulations to be hereafter prescribed.

JOHN SHERMAN,
Secretary of the Treasury.

No. 398.

Chase National Bank, New York, to Mr. Sherman.

CHASE NATIONAL BANK,
New York, January 17, 1878.

SIR: If not impertinent, permit me to suggest that you fix at least one month ahead the premium that will buy the bonds in currency.

The people of the United States have no gold and the trouble of getting gold will very much impede the movement.

I believe you would be perfectly safe in your first instructions to say that $1,020 in currency would buy $1,000 in bonds, during the month of February, and by the 20th of February you could form a good idea of what amount of currency would be required for a bond during the month of March, &c.

I would further suggest that you offer an extra commission of one-eighth of one per cent. to all banks who shall during any one month fund or take $100,000 of the 4 per cent. bonds.

Very respectfully, yours, JOHN THOMPSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 399.

Mr. Sherman to Chase National Bank, New York.

TREASURY DEPARTMENT, *January* 18, 1878.

JOHN THOMPSON, Esq.,
President Chase National Bank, New York:

SIR: Your letter of the 17th instant is received. It may be, if gold should retain a fixed steady value for a period of time, that I could fix the price for a specified time, and I will consider your suggestion favorably. I am not at liberty to offer the extra commission you advise, as I am limited to one-half of one per cent., one-half of which I allow for commission, and the other half must be reserved for express charges, printing, &c.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 400.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *January* 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Referring to our respects of the 15th instant, we have since received a communication from Messrs. N. M. Rothschild & Sons, with reference to a continuation of the contract for the sale of 4 per cent. bonds in Europe, and, if agreeable to you, our Mr. Belmont, with other members of the syndicate, will come to Washington, on Tuesday next, to confer with you on the subject.

We remain, very respectfully yours,

AUG. BELMONT & CO.

No. 401.

Mercantile National Bank, New York, to Mr. Sherman.

MERCANTILE NATIONAL BANK,
New York, January 18, 1878.

Hon the SECRETARY OF THE TREASURY,
Washington, D. C.:

SIR: Will you be good enough to advise us as to what form is necessary in making application for appointment as United States depositary for the receiving of deposits on account of the four per cent. loan, and also as to the regulations under which the duties of such depositaries must be performed.

Very respectfully, N. AMERMAN, *Cashier.*

No. 402.

Havana National Bank, Havana, N. Y., to Mr. Sherman.

THE HAVANA NATIONAL BANK OF HAVANA, N. Y.,
January 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We should like to keep the new four per cents. on hand for sale. What is necessary for us to do in order to get them?

Respectfully, WILLIS H. TRACY, *Vice-President.*

No. 403.

The Monument National Bank, Boston, Mass., to Mr. Sherman.

THE MONUMENT NATIONAL BANK OF CHARLESTOWN,
Boston, January 18, 1878.

SIR: I write to inquire if you will receive subscriptions for the four per cent. bonds from this bank under the resumption act, and allow us to credit you in account, we leaving United States bonds in your hands as collateral security, as provided for in section 5153.

Also, if we should sell four per cents, would you deliver them to us for legal-tender notes, holding the latter as collateral for settlement until January 1, 1879, if desired by us?

Very respectfully, WARREN SANGER, *Cashier.*

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 404.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *January* 19, 1878.

GENTLEMEN: Your letter of yesterday is received.

I will be happy to see you and your associates on Tuesday next, but in the afternoon from 12 o'clock I will necessarily be employed at the

Cabinet meeting, but can see you either in the morning or evening of that day.

Very respectfully, JOHN SHERMAN, *Secretary.*

Messrs. AUGUST BELMONT & Co., *New York.*

No. 405.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, January 19, 1878.

DEAR MR. SECRETARY: Your interesting letter of the 31st ultimo came duly to hand and its contents have been carefully noted.

I take it for granted, from the reports which have been sent here since the date of your letter, that a decided change has taken place in the sentiment of the people and in the views of some of our legislators respecting the silver and resumption question. The continual decline in the premium on gold is looked upon as furnishing evidence of such a change.

I inclose an extract from the New York Graphic, in which the claim is made that the Bland bill is sure to pass, and that in the face of that gold continues to decline and bonds to remain steady; and the assertion is also made that the actual passage of that bill would not depress the price of our securities or increase the premium on gold. I observe that many of the American journals assert the same thing.

In quoting United States securities, however, in this market, in every instance where there has been a rise, mention has been made that "it was due to the news of the gathering opposition to the Bland bill," or that there was no probability that the silver bill could be passed over the President's veto, &c., and when there has been a decline in the price of our bonds, it has been invariably attributed to newly-discovered strength in the silver movement. The belief here that no bill not exempting the public debt from payment in silver could be passed over the President's veto has prevented the holders of our securities from sending them home in quantities that could not be taken by our people, the result of which would have caused a panic and a great depression in the price of our bonds. In other words, it has been the feeling of confidence which the holders of our securities have had that the bill could not become a law which has prevented the price of our bonds from falling from ten to twenty-five per cent.

I inclose extracts from various newspapers relating to the silver question. I would especially call your attention to an article clipped from the Bullionist, of this morning's issue, on the Matthews' resolution.

I have been informed by the associates here that the present contract for refunding will terminate on the 26th instant. The matter has also appeared in the public prints, and also the announcement that popular subscriptions are to be opened at home on the 26th instant.

The associates have informed me that you desire to have them continue operations on this side. They are considering the matter, but I judge, from what I learn, that they wish to have certain things done which I know cannot be done, and I have so informed them.

I think it highly important that a syndicate should be employed on this side of the water, provided, of course, no unwise legislation on the silver question should be enacted.

I gave the reasons in my letter of the 8th instant which have led me to think so.

I also gave it as my opinion in the same letter that but for the fact that discredit had been thrown upon our securities through proposed partial repudiation of them we should now find sales for them here.

Money has rarely been more plentiful than it is at this moment. Rates of discount have continued to fall. Three months' bank bills are now quoted at only 1⅝ per cent., and only 1½ per cent. is now allowed on deposits. I think that the rates of interest will continue at a very low figure. The Eastern question I think, so far as the market is concerned, may almost be considered out of the way.

There is no probability that England will now become involved in a war. Public sentiment is growing against it.

Two hundred thousand pounds in gold were withdrawn from the bank for shipment to America on yesterday, and more has been withdrawn to-day—£100,000, it is said.

A dispatch to the Times, sent on the 15th, states that the "Secretary of the Treasury to-day submitted to the Committee of Ways and Means in the House his views on the proper laws to be passed for facilitating popular subscriptions." Inquiry has been made of me by the associates as to what was intended by the proposed change. The only answer that I could make was that I supposed you had explained to the committee the recommendation made in your report, that authority be given to you to enable you to dispose of bonds for greenbacks at their gold equivalent.

I am pleased to learn from your letter that the extracts from papers which I have sent to you have proved of interest.

With great respect, I am, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 406.

Circular to National Banks.

TREASURY DEPARTMENT,
Washington, D. C., January 21, 1878.

By virtue of the authority conferred by section 5153, Revised Statutes of the United States, the Secretary of the Treasury will designate as a depositary of public moneys any national bank that will comply with the terms and conditions of this circular letter.

Under such designation the bank will be entitled to receive only deposits in coin on account of the 4 per cent. bonds sold under the popular subscription invited by the circular of this department of date of the 16th instant.

The bonds subscribed for will be issued upon the receipt of a proper certificate from the bank, stating that the coin has been deposited to the credit of the Treasurer of the United States, but they will be held by the department as security until other United States bonds of an equal amount are substituted in their stead, or the coin deposited has been paid upon Treasury drafts.

The proper blank certificates will be furnished to the banks, from time to time, as needed.

Banks desiring the authority conferred by this circular in advance of subscriptions, may deposit United States bonds with the Treasury of the United States as security for deposits to be afterwards made, and certificates of deposit in proper form, and for the amount of bonds so deposited, will be furnished to the bank for execution.

The regular transcript blanks for the Treasurer's general account will be used in reporting deposits made on account of this loan, and will be furnished, on demand, to any national bank becoming a depositary under this order.

JOHN SHERMAN, *Secretary.*

No. 407.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *January* 21, 1878.

SIR: We beg leave to refer to the cancellation of the contract with the syndicate for the negotiation of the 4 per cent. United States bonds, and also to the public subscription you now invite for the bonds in question.

Considering the abundance of the London money market and the favor all the bonds of the United States are enjoying in that market, the time may not be far distant to place there the new 4 per cent. funded bonds.

Should that moment arrive, we have instructed our London friends, Messrs. R. Raphael & Sons, to inform us thereof at once by telegraph.

We shall then take the liberty to offer you our services, as well as those of our above-mentioned friends, for the purpose of placing the bonds in the London market, and trust that you will consider our solicitations favorably.

With great respect, we are, sir, your most odedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 408.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK.
New York, January 21, 1878.

Hon. JOHN SHERMAN, *Washington, D. C.:*

DEAR SIR: Before the meeting to-morrow we wish to suggest for your consideration that, whilst this bank stands ready to respond to its entire liability for the 55th call, if it shall be determined that any such liability exists, we think it is not for the interest of your new negotiation that any such liability shall be asserted.

The parties in interest will not take any of the bonds to hold for investment but only for resale, and you may be certain, therefore, that whatever they may be obliged to take will be marketed before you can make sales.

Four per cents are to-day selling in New York at 101¼ currency on, say, 99⅛ and interest gold, and considerable amounts can be had at this price.

These lots, taken in the subscriptions of last summer, must be absorbed, and whatever the syndicate take up must be sold before you can expect subscribers to take *your* 4s. at par less ¼ per cent.

If we were starting the new negotiations with a view to its greatest success, we would deliver to the syndicate only the amount of their actual sales to date (unless they should claim a larger sum), and would *buy up* the floating bonds in the market until they could not be had below 99¾ and interest.

This latter we presume you would not feel authorized to do, but the former seems to us practicable and really essential to its success.

Mr. French will attend the meeting to-morrow on behalf of the bank.

Very respectfully, H. C. FAHNESTOCK.

I may add that we are very hopeful of the success of the new programme, in which you may count upon our active co-operation.

No. 409.

Circular Letter to Independent Treasury Officers.

TREASURY DEPARTMENT, *January* 21, 1878.

SIR: I inclose herewith department circular of January 16, 1878, concerning subscriptions for the four per cent. funded loan of the United States, and have to request that all deposits received at your office on this account be reported in your transcripts of the Treasurer's general account rendered to this office, as follows, viz:

1. Aggregate amount of principal received on account of subscriptions for the period embraced in the transcript.

2. Aggregate amount of interest received on account of subscriptions for the period embraced in the transcript.

3. Each transcript to be accompanied by two lists, one for principal, on which should appear the names of each depositor, the date of each deposit, and amounts deposited; and one for interest, on which should appear the name of each depositor, the date of each deposit, and amounts deposited, and the amount *upon which* and the time *for which* interest is paid.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 410.

The First National Bank of Nashua, N. H., to Mr. Sherman.

THE FIRST NATIONAL BANK, NASHUA, N. H.,
Nashua, January 22, 1878.

JOHN SHERMAN,
Hon. Secretary of the Treasury:

DEAR SIR: What is the lowest amount national banks can deposit in order to be designated as depositaries?

Could it be done with a deposit of $10,000 or $15,000 in bonds?

Yours, J. A. SPAULDING.

No. 411.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *January* 23, 1878.

SHERMAN, *Washington:*
Bonds received. CONANT.

No. 412.

Messrs. Brewster, Basset & Co. to Mr. Sherman.

BOSTON, *January* 23, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We wish to make application to you as bankers and dealers in governments, to be made, if possible, your special agents in this vicinity for the sale of United States four per cent. bonds.

When the popular subscription commenced last year, we immediately stepped to the front, advertising and recommending the loan, and selling from $3,000,000 to $4,000,000 of the bonds. These bonds were ordered through our New York correspondents, and they (First National Bank) probably, as members of the syndicate, forwarded all subscriptions without mention of customers' names. We have also marketed over $12,000,000 of the four and a halfs.

Our Mr. Brewster was senior partner with the old house of Brewster, Sweet & Co., during the war, and your records will show that good service was then done.

Having, as agents for the New England States, originally placed the five-twenties, they now naturally drift to us when called, and we feel that the cause will be helped by the active co-operation with you of some house like ourselves.

We do the largest government business here, and feel confident that with our clientage we can market a good many bonds. As a matter of recommendation, we can refer to any of our banks and institutions.

Please write us what we can do for you in this line.

Yours, truly, BREWSTER, BASSET & CO.

No. 413.

Assistant Treasurer at Cincinnati to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER, U. S.,
Cincinnati, Ohio, January 23, 1878.

SIR: Referring to department circular of the 16th instant, containing information regarding subscriptions for new 4 per cent. consols, please advise me with regard to following points: Shall interest be collected from date of bonds (July 1, 1877,) or from January 1, 1878? Will persons subscribing for $1,000 and upward be permitted to deduct the commission of ¼ of 1 per cent. to which they are entitled from the principal

at time of payment for bonds, or will that allowance be subsequently adjusted by the department?

Will subscribers non-resident here, who make payment through this office, as, for instance, at Zanesville, Xenia, Hamilton, and other points in this territory, have their bonds sent to them direct from the department, instead of being delivered at this office?

Will authority be given this office to receive the coin drafts of depositary banks on New York in payment for subscriptions, the bonds remaining in my possession until payment of drafts is advised?

I have the pleasure to state that parties here have already asked the privilege of entering their subscriptions for considerable sums, ranging from $2,000 to $10,000.

Very respectfully, your obedient servant,

A. M. STEM, *Assistant Treasurer U. S.*

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.

No. 414.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, January 24, 1878.

DEAR MR. SECRETARY: I inclose herewith extracts from newspapers relating to the silver question, and also clippings from the Times of its dispatches from America. One of the dispatches, as you will observe, states that through a vote taken in the House on a motion to make customs duties payable in greenbacks, it was demonstrated that a minority of over one-third are opposed to inflation. I trust that if any of the proposed silver measures are tacked on to an appropriation bill, the President will not hesitate to veto it.

In one of your letters, you stated that many of the persons who advocated the remonetization of silver, were induced to do so through the belief which they had that if it were accomplished the price of that article would be restored to the price of gold, and that it could be maintained at equal value with it. The admirable answer which you made in your report to all such arguments, viz, that the market value of silver must be fixed by the world; that it cannot be done by the United States alone, and that enormous demand for silver in Asia had not prevented the fall in silver, &c., is sustained by the course of the silver market, even down to the present moment. The average price of silver during the year 1877 was 54 $\frac{13}{16}$ *d.* per ounce, while the price to-day is only 53 $\frac{1}{2}$ *d.* per ounce, and the market is very flat at that price. One year ago during the month of January, the month corresponding with the present month, the price varied from 56 $\frac{7}{8}$ to 58 $\frac{1}{4}$ *d.* per ounce.

The average annual export of silver from London to the East during the period beginning with the year 1866 and ending with the year 1877 has been $25,822,935; the average price of the same during the year first mentioned was 60 $\frac{9}{16}$ *d.* per ounce, and during the year last named it was 54 $\frac{13}{16}$ *d.* per ounce.

The amount exported from here to the East in 1866 was $3,214,560, and in 1877 it was $85,039,290, the largest amount ever exported in any

one year. The large exports during that year were due to the demands growing out of the famine. The demand for silver for the east was therefore about twenty-six and one-half times greater in 1877 than it was in the year 1866, and yet the price fell 5¾*d.* per ounce, and has since fallen 1 5/16*d.* per ounce. Mr. Pixley, of the firm of Pixley & Abel, one of the best authorities here in matters pertaining to the price and movement of silver, said in my office this morning that the price of silver would not in his judgment be much above 40*d.* per ounce at the present time, had it not been for the abnormal demands for silver for India, caused by the famine requirements.

It is said here that silver amounting to about two millions seven hundred and fifty thousand dollars has been purchased by a syndicate on speculation in expectation of a coinage demand from the United States. The parties engaged in the operation it is thought obtained their money to carry it on from the Bank of France, at the rate of one per cent. per annum, pledging the silver as collateral at 80 per cent. of its market value. I mentioned in one of my former letters that the German Government had sent about $10,000,000 in silver here to be held to await the developments of the silver measures now pending in Congress, in order to have it in a convenient place for shipment.

The entire silver world is waiting and watching for an opportunity to exchange its silver for our gold.

It is quite encouraging to observe how rapidly our greenbacks are approaching the gold standard.

With great respect, yours truly, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 415.

Mr. Sherman to Messrs. Brewster, Basset & Co.

TREASURY DEPARTMENT,
January 24, 1878.

MESSRS. BREWSTER, BASSET & CO.,
Bankers, 35 Congress street, Boston, Mass.:

GENTLEMEN: Your letter of the 23d instant is received.

It will give me much pleasure to receive from you direct, in accordance with the inclosed circulars, any subscriptions to the four per cent. loan you may make, and the business will be promptly attended to. I cannot make you special agents or give you any special rates, but from your facilities you will no doubt have an advantage in selling bonds.

Any necessary blanks will be promptly transmitted, and it is probable that we may desire some advertising and will probably employ those most active and successful in selling bonds to attend to this business so far as it becomes necessary. I suppose it will promote your convenience to avail yourselves of the privilege of depositing with some bank that may qualify itself as a government depositary, but may pay into the Sub-Treasury instead.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 416.

Second National Bank, Detroit, Mich., to Mr. Sherman.

SECOND NATIONAL BANK,
Detroit, Mich., January 24, 1878.

Hon. SECRETARY OF THE TREASURY:

SIR: I have the honor to acknowledge the receipt of your circular to national banks under date of 21st instant.

As this bank is already a depositary, and has on deposit with the Treasury $500,000 of United States 5 per cent. bonds as security for public moneys, I beg leave to ask if the Hon. Secretary will require from us further deposit of bonds on account of sales of 4 per cent. bonds.

Very respectfully, C. M. DAVISON, *Cashier.*

No. 417.

Assistant Treasurer at New Orleans to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New Orleans, La., January 24, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Referring to the circular of January 16, 1878, in regard to the 4 per cent. loan, and especially to that portion which authorizes the receipt of certain obligations in lieu of the actual coin, I have the honor to ask, as an additional convenience to the subscribers, if I may sell them the coin necessary for their purchases?

Very respectfully, BENJ. F. FLANDERS,
United States Assistant Treasurer.

No. 418.

Mr. Sherman to Assistant Treasurer New York.

TREASURY DEPARTMENT, *January*, 25, 1878.

Hon. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York:

SIR: Under the present arrangement for placing the four per cent. loan through the agency of national banks and bankers, I am in receipt of numerous inquiries as to whether the assistant treasurers of the United States, at a distance from New York, will be allowed to receive gold drafts on New York, which, upon collection, will be received in payment for the bonds. Such an accommodation would manifestly help us in placing the bonds, and I have only hesitated in granting permission for the reason that I feel a strong disinclination to impose the additional labor and responsibility of collection upon your office.

I should be glad to have your views upon the subject at an early date.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 419.

Mr. Sherman to Messrs. von Hoffmann & Co.

TREASURY DEPARTMENT, *January* 25, 1878.

Messrs. L. VON HOFFMANN & Co.,
50 Wall Street, New York:

GENTLEMEN: Referring to your letter of the 21st instant, in which you state that in consideration of the abundance of the London money market, and the favor all the bonds of the United States are enjoying in that market, the time may not be far distant for placing the four per cent. bonds there; also indicating that under certain circumstances you shall offer your services in the matter, I have to state that it is not my purpose, under the present plan for placing a popular loan, to make any effort to dispose of the bonds in a foreign market; but, should occasion arise, and that market be in a condition to invite our bonds, I shall be glad to consider any proposition you may be pleased to submit; also, to avail myself of your views on the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 420.

Mr. Sherman to Havana National Bank, Havana, N. Y.

TREASURY DEPARTMENT, *January* 25, 1878.

CASHIER HAVANA NATIONAL BANK, *Havana, N. Y.:*

SIR: In reply to your letter of the 18th instant, stating that you would like to keep the new four per cents on hand, and asking what is necessary for you to do in order to get them, I inclose herewith department's circular to national banks of the 21st instant, and have to inform you that upon receipt of your application for the designation of your bank as a depositary to receive deposits on account of the four per cent. (4 %) funded loan of the United States, such designation will at once be made.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 421.

Mr. Sherman to Assistant Treasurer at Cincinnati.

TREASURY DEPARTMENT, *January* 25, 1878.

UNITED STATES ASSISTANT TREASURER, *Cincinnati, Ohio:*

SIR: In reply to your letter of the 23d instant, making certain inquiries concerning the receipt of subscriptions to the four per cent. funded loan of the United States, I have to inform you—

1. That the bonds will be transmitted only upon the receipt of the *full payment*, and all commissions will be adjusted at the department and paid separately.

2. Bonds will be sent from the department directly to the subscribers if they so desire.

3. Accrued interest to be charged to subscribers should be calculated

from the first of current quarter, the interest on the bonds being payable quarterly.

4. The department cannot receive for collection and deposit drafts issued by bankers and others in payment of subscriptions to the four per cent. loan.

The Secretary does not feel warranted in imposing upon the assistant treasurer the labor and risk of collecting such drafts.

It is thought that banks and bankers can make deposits with the several assistant treasurers through correspondents in cities having a sub-treasury office without inconvenience.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 422.

Mr. Sherman to Assistant Treasurer at Baltimore.

TREASURY DEPARTMENT, *January* 25, 1878.

UNITED STATES ASSISTANT TREASURER, *Baltimore, Md.:*

SIR: In receiving subscriptions under provisions of department's circular of 16th instant, until otherwise ordered you will accept in payment of four per cent. bonds only coin, United States coin coupons past due or maturing within thirty days, and coin certificates of March 3, 1863.

Parties wishing to pay for the new bonds with called bonds, should be referred to department at Washington, where only such exchanges can be made and adjusted.

Very respectfully. JOHN SHERMAN, *Secretary.*

No. 423.

Mr. Sherman to Mercantile National Bank, New York:

TREASURY DEPARTMENT, *January* 25, 1878.

CASHIER MERCANTILE NATIONAL BANK, *New York City:*

SIR: In reply to your letter of the 18th instant, asking what form is necessary in making application for appointment as United States depositary to receive deposits on account of the four per cent. loan, &c., I have to inform you that no special form of application is necessary. If you desire to act as depositary in accordance with the conditions of the inclosed circular, and will so inform me, your bank will be designated a depositary of public moneys to receive deposits on account of subscriptions to the four per cent. funded loan of the United States.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 424.

Messrs. Brewster, Basset & Co. to Mr. Sherman.

BOSTON, *January* 26, 1878.

Hon JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Your favor of 24th instant is at hand and contents noted. We were in hopes that you could arrange it to give us some special

rates, and were strengthened in this belief by a circular from the First National Bank, New York, offering to furnish bonds at ¼ off, delivered, &c.

As we now understand it, we are entitled to the bonds at 99¾ and interest, gold, and you will receive called bonds in payment at full value; you assuming all express charges both ways.

We shall probably deposit our money and bonds here either with Mr. Haven, assistant treasurer, or at First National Bank.

It will facilitate matters very much if bonds are here for immediate delivery, but if this is not done we would suggest that on our telegraphing either direct or through either of above parties how many are wanted, you send to them the bonds, we to pay them for same on delivery.

Just at present the market price of these bonds is a trifle under yours, but we trust that the amount of floating bonds will soon be absorbed and the subscriptions flow in freely.

Yours, truly, BREWSTER, BASSET & CO.

No. 425.

Mr. Hawley to First National Bank, Nashua, N. H.

TREASURY DEPARTMENT, *January* 26, 1878.

CASHIER FIRST NATIONAL BANK, *Nashua, N. H.:*

SIR: In reply to your letter of the 22d instant, concerning subscriptions to the four per cent. funded loan of the United States, I inclose herewith department's circular of January 21, 1878, in which is embodied the conditions upon which national banks may be designated as depositaries of public moneys to receive deposits on account of subscriptions to the loan.

Upon the receipt at this office of an application from your bank, such designation will at once be made.

Very respectfully,

JOHN B. HAWLEY, *Assistant Secretary.*

No. 426.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, January* 27, 1878

MY DEAR SIR: We send you to-day our initial subscription of $500,000 4 per cents, and when I tell you that yesterday and to-day we have bought in the market $450,000 4s at ⅛ to ¼ below your price, you will, I think, be assured that my recent letter regarding the syndicate obligation was not actuated by any desire to evade responsibility.

I wish to say for your encouragement that the possibilities of the new negotiation are daily increasing, and I am already prepared to see *very* important results, unless some legislation should be reached in regard to silver coinage and resumption which will really touch the public credit.

Yours, very truly, H. C. FAHNESTOCK.

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 427.

Fourth National Bank of Cincinnati to Mr. Sherman.

FOURTH NATIONAL BANK,
Cincinnati, January 28, 1878.

Your letter of 26th to hand, and instructions noted as to kind of payment to be received in payment of 4 per cent. bonds, *i. e., gold coin.* In reply, we have but little coin here, and I doubt if all the banks in Cincinnati have over $25,000 in coin here.

To comply with your instructions we shall have to express the coin from New York, at an expense of $1.75 per thousand; or, if gold notes could be taken, they could be sent by mail. No expense can be incurred by banks in the West, as the syndicate have sent circulars all over the country offering bonds at same price, allowing ¼ commission, and delivery free, and taking in payment gold checks, coin, bonds, or their equivalent in currency. The apparent result will be that the West takes the bonds, but New York and the syndicate get the credit, as was the case before. A. M. Stem, United States assistant treasurer, informed me to-day that parties applying for the bonds could not get the gold to pay for them, and therefore were unable to take them of this department. Would you consent to this bank's making a deposit with assistant treasurer New York for any sum together with the interest to date of said deposit, and upon receipt of certificate send the bonds to like amount?

In such an event the express charges on the coin could be avoided from New York west.

Yours, truly,
M. M. WHITE, *President.*

To JOHN SHERMAN, *Secretary,*
Washington, D. C.

No. 428.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, January 28, 1878.

DEAR SIR: Your letter of the 12th with inclosures is received.

The aspect of affairs is so constantly changing that the lapse of sixteen days has made a great difference in our financial affairs. An arrangement was made with the syndicate in regard to the 55th call, a copy of which I send you, and which you can for the present treat as confidential.

Some discussion was had as to the propriety of discontinuing your operations in London. The syndicate insisted that after the 26th they ought not to pay the expenses, but, by common consent, it was allowed to go over under the old arrangement until we could consult about it. I think they ought to pay all expenses of your agency until the 6th of March, at which time the 55th call matures, and until then they incidentally have the benefit of the popular subscriptions, but without the commission.

I now invite your consideration and full report as to the necessity and usefulness of continuing you agency, the extent of your usefulness in maintaining the market, or soliciting subscriptions, or performing the duties now performed in the receipt and delivery of bonds. Could you probably sell any bonds in the European market if the market was thrown open? To what extent could you reduce the cost of your agency? And generally report fully upon the subject embraced in these inquiries.

We may as well admit that the prospect is that the Bland bill, or some other bill very nearly as bad, will pass both houses by a two-thirds vote, and, although there may be some delay, it is likely that silver will be remonetized in this country upon the substantial basis of the old law.

Very truly, &c., JOHN SHERMAN, *Secretary.*

Hon. C. F. CONANT, *London.*

No. 429.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 28, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 25th instant, relative to the collection of checks in connection with the four per cent. loan.

In the ordinary business of the office the practice was abandoned some years ago by direction of your predecessor, as you will see from the inclosed copies of our official correspondence on this subject. As the general rule all payments at this office are now required to be made in actual money, corporations and individuals at a distance advising their correspondents here, by letter, to deposit the amount of their dues, instead of transmitting checks or drafts. The change has greatly reduced the risk and responsibility connected with the receiving of the public dues, and I am not aware that it has imposed any particular inconvenience or hardship on the public. Nevertheless, if in your judgment it is an impediment in the placing of the four per cent. bonds, I have only to assure you that so far as this office is concerned we shall cheerfully conform to any modifications you may see fit to authorize. I hope, however, you will not think it out of place for me to repeat the doubt expressed in my letter to Secretary Bristow as to the responsibility of an assistant treasurer and his bondsmen in case of loss in the collection of checks, or to add that in such a contingency I do not wish my cordial assent to, and co-operation in, any plan you may adopt, to be understood as in any sense a waiver of any defense which the law and the language of my official bond may afford me. I can readily conceive that circumstances may occur when it would be better for the government to assume even an ascertained and admitted responsibility rather than that its officers should be impeded in the accomplishment of important measures.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 430.

Mr. Davis to Mr. Sherman.

NEW YORK, *January* 28, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I take the liberty of sending you herewith by the hands of my brother, Judge Davis, a plan adopted by the Real Estate Trust Com-

pany, by which money in sums over $100 shall be invested in government bonds. These moneys include both savings and also those waiting for future use as well as those for permanent investment. In respect to savings, it substantially takes up your plan of Post-Office savings banks for the masses, where that leaves off, as to amounts. I think you will see in this plan as a whole a new use to which government bonds can be applied and hence cause a demand for them, and, as far as it goes will aid the government in floating the public debt. I therefore hope you will be interested in the subject. If such a plan should be adopted in all the large cities in the Union an extensive demand fully equal to the wants of the government will be created among our own people.

If the plan strikes you favorably you have it in your power to materially aid it by expressing to our company your approval of it in a letter either addressed to me or the company, to be used by us publicly as the indorsement of the financial head of the government. With such indorsement the plan will at once be received with confidence and get widespread notice which, under other circumstances, it may take years to acquire.

Please note the distinction between our desire to have your *indorsement of the plan* as against that of the ability, credit, or standing of our company to carry it out. You will see, however, in the list of directors men of the highest financial standing who have been with the company since its organization. These are external evidences of hope that the plan in their hands will be faithfully and skillfully carried out.

Your humble servant,

THOS. A. DAVIS,
610 *Fifth avenue, New York.*

No. 431.

Mr. Hawley to the First National Bank of Portsmouth, N. H.

TREASURY DEPARTMENT, *January* 28, 1878.

CASHIER *First National Bank, Portsmouth, N. H.:*

SIR: In connection with department's letter of the 25th instant, designating your bank a depositary of public moneys to receive deposits on account of subscriptions to the four per cent. funded loan of the United States, I have to inform you that under that designation your bank will be entitled to receive only deposits *in coin* on account of subscriptions to the loan; and being already a public depositary for currency deposits, all transactions on the coin account should be reported on separate transcripts to be rendered both to this office and to the Treasurer of the United States.

Very respectfully,

JOHN B. HAWLEY,
Assistant Secretary.

No. 432.

Mr. Sherman to Messrs. Brewster, Basset & Co.

TREASURY DEPARTMENT, *January* 29, 1878.

Messrs. BREWSTER, BASSET & CO.,
No. 35 Congress street, Boston, Mass.:

GENTLEMEN: Your letter of the 26th instant, in which you state that you were in hopes that you could receive some special rates for placing the four per cent. bonds, and that you were strengthened in this belief

by a circular from the First National Bank, New York, offering to furnish bonds at one-quarter off, &c., has been received. In reply I have to state that the First National Bank of New York is working under the terms and provisions of department's circular of 21st instant, and no facilities are afforded them by the government which are not obtainable by any national bank. You can procure the four per cent. bonds at par and accrued interest in coin, and a check will be remitted to you for commissions.

Called bonds will be received in payment for the fours, but the government can only defray the express bills on the new bonds. I shall try to make arrangements for forwarding the four per cents on the telegraphic order of the assistant treasurer at Boston as you suggest.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 433.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *January* 29, 1878.

SHERMAN, *Washington:*

Considerable alarm. U. S. bonds fallen 1½ per cent. Can Bland bill get two-thirds? CONANT.

No. 434.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *January* 29, 1878.

CONANT, *London:*

Events so uncertain, definite answer cannot be given.

SHERMAN.

No. 435.

Kentucky National Bank, Louisville, to Mr. Sherman.

KENTUCKY NATIONAL BANK,
Louisville, January 30, 1878.

Hon. JOHN SHERMAN,
Secretary, Washington:

DEAR SIR: The First National Bank of New York, by circular generally distributed, agrees to give the 4 per cent. United States funded loan at par in coin and accrued interest, *and allow the ¼ per cent. commission to the buyer;* it therefore becomes quite impossible for me to make any sales without allowing the ¼ to our buyer. I write, in view of this, to know how I can arrange to be put upon the same footing as the First National of New York, that I can compete with them, so that I can allow the ¼ commission and make anything for ourselves.

Your answer as early as convenient will very much oblige me.

Very respectfully yours, &c., L. C. MURRAY, *Cashier.*

No. 427.

Fourth National Bank of Cincinnati to Mr. Sherman.

FOURTH NATIONAL BANK,
Cincinnati, January 28, 1878.

Your letter of 26th to hand, and instructions noted as to kind of payment to be received in payment of 4 per cent. bonds, *i. e., gold coin.* In reply, we have but little coin here, and I doubt if all the banks in Cincinnati have over $25,000 in coin here.

To comply with your instructions we shall have to express the coin from New York, at an expense of $1.75 per thousand; or, if gold notes could be taken, they could be sent by mail. No expense can be incurred by banks in the West, as the syndicate have sent circulars all over the country offering bonds at same price, allowing ¼ commission, and delivery free, and taking in payment gold checks, coin, bonds, or their equivalent in currency. The apparent result will be that the West takes the bonds, but New York and the syndicate get the credit, as was the case before. A. M. Stem, United States assistant treasurer, informed me to-day that parties applying for the bonds could not get the gold to pay for them, and therefore were unable to take them of this department. Would you consent to this bank's making a deposit with assistant treasurer New York for any sum together with the interest to date of said deposit, and upon receipt of certificate send the bonds to like amount?

In such an event the express charges on the coin could be avoided from New York west.

Yours, truly, M. M. WHITE, *President.*

To JOHN SHERMAN, *Secretary,*
Washington, D. C.

No. 428.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT,
Washington, January 28, 1878.

DEAR SIR: Your letter of the 12th with inclosures is received.

The aspect of affairs is so constantly changing that the lapse of sixteen days has made a great difference in our financial affairs. An arrangement was made with the syndicate in regard to the 55th call, a copy of which I send you, and which you can for the present treat as confidential.

Some discussion was had as to the propriety of discontinuing your operations in London. The syndicate insisted that after the 26th they ought not to pay the expenses, but, by common consent, it was allowed to go over under the old arrangement until we could consult about it. I think they ought to pay all expenses of your agency until the 6th of March, at which time the 55th call matures, and until then they incidentally have the benefit of the popular subscriptions, but without the commission.

I now invite your consideration and full report as to the necessity and usefulness of continuing you agency, the extent of your usefulness in maintaining the market, or soliciting subscriptions, or performing the duties now performed in the receipt and delivery of bonds. Could you probably sell any bonds in the European market if the market was thrown open? To what extent could you reduce the cost of your agency? And generally report fully upon the subject embraced in these inquiries.

We may as well admit that the prospect is that the Bland bill, or some other bill very nearly as bad, will pass both houses by a two-thirds vote, and, although there may be some delay, it is likely that silver will be remonetized in this country upon the substantial basis of the old law.

Very truly, &c., JOHN SHERMAN, *Secretary.*

Hon. C. F. CONANT, *London.*

No. 429.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER.
New York, January 28, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 25th instant, relative to the collection of checks in connection with the four per cent. loan.

In the ordinary business of the office the practice was abandoned some years ago by direction of your predecessor, as you will see from the inclosed copies of our official correspondence on this subject. As the general rule all payments at this office are now required to be made in actual money, corporations and individuals at a distance advising their correspondents here, by letter, to deposit the amount of their dues, instead of transmitting checks or drafts. The change has greatly reduced the risk and responsibility connected with the receiving of the public dues, and I am not aware that it has imposed any particular inconvenience or hardship on the public. Nevertheless, if in your judgment it is an impediment in the placing of the four per cent. bonds, I have only to assure you that so far as this office is concerned we shall cheerfully conform to any modifications you may see fit to authorize. I hope, however, you will not think it out of place for me to repeat the doubt expressed in my letter to Secretary Bristow as to the responsibility of an assistant treasurer and his bondsmen in case of loss in the collection of checks, or to add that in such a contingency I do not wish my cordial assent to, and co-operation in, any plan you may adopt, to be understood as in any sense a waiver of any defense which the law and the language of my official bond may afford me. I can readily conceive that circumstances may occur when it would be better for the government to assume even an ascertained and admitted responsibility rather than that its officers should be impeded in the accomplishment of important measures.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 430.

Mr. Davis to Mr. Sherman.

NEW YORK, *January* 28, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I take the liberty of sending you herewith by the hands of my brother, Judge Davis, a plan adopted by the Real Estate Trust Com-

pany, by which money in sums over $100 shall be invested in government bonds. These moneys include both savings and also those waiting for future use as well as those for permanent investment. In respect to savings, it substantially takes up your plan of Post-Office savings banks for the masses, where that leaves off, as to amounts. I think you will see in this plan as a whole a new use to which government bonds can be applied and hence cause a demand for them, and, as far as it goes will aid the government in floating the public debt. I therefore hope you will be interested in the subject. If such a plan should be adopted in all the large cities in the Union an extensive demand fully equal to the wants of the government will be created among our own people.

If the plan strikes you favorably you have it in your power to materially aid it by expressing to our company your approval of it in a letter either addressed to me or the company, to be used by us publicly as the indorsement of the financial head of the government. With such indorsement the plan will at once be received with confidence and get widespread notice which, under other circumstances, it may take years to acquire.

Please note the distinction between our desire to have your *indorsement of the plan* as against that of the ability, credit, or standing of our company to carry it out. You will see, however, in the list of directors men of the highest financial standing who have been with the company since its organization. These are external evidences of hope that the plan in their hands will be faithfully and skillfully carried out.

Your humble servant,

THOS. A. DAVIS,
610 *Fifth avenue, New York.*

No. 431.

Mr. Hawley to the First National Bank of Portsmouth, N. H.

TREASURY DEPARTMENT, *January* 28, 1878.

CASHIER *First National Bank, Portsmouth, N. H.:*

SIR: In connection with department's letter of the 25th instant, designating your bank a depositary of public moneys to receive deposits on account of subscriptions to the four per cent. funded loan of the United States, I have to inform you that under that designation your bank will be entitled to receive only deposits *in coin* on account of subscriptions to the loan; and being already a public depositary for currency deposits, all transactions on the coin account should be reported on separate transcripts to be rendered both to this office and to the Treasurer of the United States.

Very respectfully,

JOHN B. HAWLEY,
Assistant Secretary.

No. 432.

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Messrs. BREWSTER, BASSET & CO.,
No. 35 Congress street, Boston, Mass.:

GENTLEMEN: Your letter of the 26th instant, in which you state that you were in hopes that you could receive some special rates for placing the four per cent. bonds, and that you were strengthened in this belief

by a circular from the First National Bank, New York, offering to furnish bonds at one-quarter off, &c., has been received. In reply I have to state that the First National Bank of New York is working under the terms and provisions of department's circular of 21st instant, and no facilities are afforded them by the government which are not obtainable by any national bank. You can procure the four per cent. bonds at par and accrued interest in coin, and a check will be remitted to you for commissions.

Called bonds will be received in payment for the fours, but the government can only defray the express bills on the new bonds. I shall try to make arrangements for forwarding the four per cents on the telegraphic order of the assistant treasurer at Boston as you suggest.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 433.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *January* 29, 1878.

SHERMAN, *Washington:*

Considerable alarm. U. S. bonds fallen 1½ per cent. Can Bland bill get two-thirds? CONANT.

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Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *January* 29, 1878.

CONANT, *London:*

Events so uncertain, definite answer cannot be given.

SHERMAN.

No. 435.

Kentucky National Bank, Louisville, to Mr. Sherman.

KENTUCKY NATIONAL BANK,
Louisville, January 30, 1878.

Hon. JOHN SHERMAN,
Secretary, Washington:

DEAR SIR: The First National Bank of New York, by circular generally distributed, agrees to give the 4 per cent. United States funded loan at par in coin and accrued interest, *and allow the ¼ per cent. commission to the buyer;* it therefore becomes quite impossible for me to make any sales without allowing the ¼ to our buyer. I write, in view of this, to know how I can arrange to be put upon the same footing as the First National of New York, that I can compete with them, so that I can allow the ¼ commission and make anything for ourselves.

Your answer as early as convenient will very much oblige me.

Very respectfully yours, &c., L. C. MURRAY, *Cashier.*

No. 436.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *January* 30, 1878.

SHERMAN, *Washington:*

Times (American) cable of 30th as follows: Panic amongst resumptionists intensified in view of belief that Executive is not as averse to silver bill as formerly. It is thought that Secretary Treasury is changing front; Secretary's example will have great influence on the Executive. CONANT.

No. 437.

Mr. Sherman to Fourth National Bank of Cincinnati.

TREASURY DEPARTMENT, *January* 31, 1878.

M. M. WHITE, Esq.,
President Fourth National Bank, Cincinnati, Ohio:

SIR: Your letter of the 28th instant, in which you state that the banks in your city have but a small amount of coin, and the character of payment which the government requires for four per cent. bonds renders it impossible for you to compete with the syndicate, has been received. In reply, I have to state that the syndicate has been dissolved, and all parties in New York are working under the terms and conditions prescribed in department's circulars of the 16th and 21st instant, and no facilities are afforded them which are not obtainable by any national bank.

I am glad to state that arrangements have been perfected whereby coin and currency drafts on New York can now be received by this department in payment of subscriptions, and the coin value of the currency on the day of collection in New York will be allowed in settlement.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 438.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, January 31, 1878.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your interesting letter of the 15th instant, with two inclosures, viz, copy of the notice to Messrs. Belmont & Co. of the termination of the contract on the 26th instant, and a copy of a proposed bill to promote the deposit of savings, &c.

I think that your decision to continue the syndicate on this side of the water is wise. I repeat the remark made in several of my former letters, that if the present Congress does not enact any unwise legislation on the silver question, we may reasonably hope to sell our bonds in this market. I very much fear, however, from what you write and from the published dispatches concerning the matter, that the passage of some

kind of a bill containing provisions hostile to our operations is almost a foregone conclusion.

The associates on this side will be pleased, I think, to comply with your wishes in regard to a new contract, and they have accordingly suggested that I should remain here for the present. The copy of the new prospectus of the popular loan has not been received.

I think the associates have done a great deal to prevent a panic amongst the holders of our securities here. I have no means of judging with any degree of accuracy of the amount of our securities held by the Messrs. Rothschild (nor would I be likely to gain any knowledge of the same by any inquiry, even if I should presume to make one), but I think they hold vast sums for themselves and their customers. They are the largest holders of our securities either here or at home. Their influence upon the market can hardly be measured.

Everything that can be done here in the interest of maintaining our credit will be done.

On the 29th I sent a message to you as follows: "Considerable alarm. United States bonds fallen 1½ per cent. Can Bland bill get two-thirds?" To which I received your reply that "Events so uncertain, definite answer cannot be given"—which was not very reassuring.

I inclose herewith, with other clippings from newspapers, the American dispatches which have appeared in the Times during the current week, including to-day.

The passage on Monday of the Matthews resolution by so large a majority of the House caused the alarm referred to in my dispatch above quoted.

On Tuesday another cable dispatch was sent to the Times, which was printed in its morning edition of Wednesday, which produced quite a sensation, and caused our bonds to fall off one-half of 1 per cent. in the early part of the day. The price, however, was restored on some information obtained from New York; what it was I did not learn. The dispatch, as you will observe, was sent by the Times correspondent at Philadelphia.

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The dispatch is a very lengthy one, or I should have telegraphed it to you verbatim. I cabled the substance of it to you in the following words: "Times American cable of thirtieth as follows: Panic among resumptionists intensified in view of the belief that the Executive is not so averse to silver bill as formerly. It is thought Secretary of the Treasury is changing front. Secretary of the Treasury example will have great influence on Executive." I have been hoping all day that the correspondent would find out that he was in error, and that he would send a further dispatch correcting his first statement; but thus far it has not been done. A contradiction to have any effect should come from America. The statement is a bold one to be made. I have said to every one inquiring about it that it must be untrue. I hope to have an answer to that effect from you to-morrow, so that I can make an authorized contradiction of the dispatch.

The Times will undoubtedly make the contradiction if requested. I shall not, however, take any action until I hear from you.

The bank rate has to-day been reduced to 2 per cent. Money is very plentiful, and it can be had at low rates.

With great respect, yours truly, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 439.

Mr. Sherman to Second National Bank of Detroit, Mich.

TREASURY DEPARTMENT, *January* 31, 1878.

CASHIER SECOND NATIONAL BANK OF DETROIT,
Detroit, Mich.:

SIR: Your letter of the 24th instant, stating that as a designated depositary your bank has on deposit with the Treasurer of the United States $500,000 United States bonds, and inquiring whether it will be allowed to receive subscriptions for the 4 per cent. funded loan of the United States, under the regulations prescribed, without a further deposit of United States bonds to secure the same, has been received.

In reply, I have to inform you that if you desire it the Second National Bank of Detroit, Detroit, Mich., will be specially designated a public depositary to receive subscriptions to the loan in accordance with the conditions of department's circular of January 21, 1878, copy inclosed.

As the amount of public balances in your bank is frequently nearly equal to the amount of United States bonds furnished as security therefor, it is not deemed practicable to use any of such bonds as security for deposits on account of subscriptions to the loan, but you may furnish other bonds to secure the coin deposits, or, under the provisions of the third paragraph of the circular, the bonds subscribed for will be held by the department as security until other United States bonds of an equal amount are substituted in their stead, or the coin deposited in the bank has been paid upon Treasury drafts or transferred to a sub-treasury office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 440.

Mr. Sherman to Assistant Treasurer United States, New Orleans.

TREASURY DEPARTMENT, *January* 31, 1878.

UNITED STATES ASSISTANT TREASURER,
New Orleans, La.:

SIR: Your letter of the 24th instant, asking as an additional convenience to subscribers to the 4 per cent. funded loan of the United States that you be authorized to sell them the gold necessary for their purchases, has been received. In reply, I have to inform you that subscribers to the loan in your vicinity are not obliged to purchase the gold in your city. Deposits on account of subscriptions may be made through banks and bankers in other cities, and it is deemed advisable to limit the sale of gold at New Orleans to the amount required by importers for payment of duties.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 441.

Mr. Herrick to Mr. Sherman.

BOSTON, *February* 1, 1878.

HON. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: I have received your printed circular relative to subscribing for 4 per cent. United States government bonds, as also the blanks to enable me to do so.

If Congress passes the Bland silver bill and it becomes a law I shall not want to subscribe for any of the said bonds, but the rather sell what I now hold, for the reason that I cannot calculate what the intrinsic value of the interest will be. If the policy of the government continues to be to pay in gold (honest money), I shall want, I have no doubt, some of the 4 per cent bonds.

Will wait and see results.

Respectfully, yours, &c., M. A. HERRICK.

No. 442.

Mr. Sherman to Farmers' National Bank, Ashtabula, Ohio.

TREASURY DEPARTMENT, *February* 1, 1878.

CASHIER FARMERS' NATIONAL BANK,
Ashtabula, Ohio:

SIR: Your letter of the 29th ultimo, asking what amount of United States bonds must be furnished the Treasurer of the United States as security before your bank can be designated a depositary to receive deposits on account of the four per cent. funded loan of the United States, and whether you can send coin drafts on New York in payment for subscriptions, has been received.

In reply, I have to inform you that no specific amount of bonds is required to be furnished previous to the designation, and that coin drafts on New York will be accepted at the department in payment for subscriptions to the loan.

The drafts should be drawn to the order of the Secretary.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 443.

Mr. Sherman to National Bank of Commerce, New York.

TREASURY DEPARTMENT, *February* 1, 1878.

CASHIER NATIONAL BANK OF COMMERCE,
New York, N. Y.:

SIR: Under your designation as a public depositary, I desire you to open with the Treasurer of the United States an account in coin for such deposits on account of the four per cent. loan as you may from time to time be directed by this office to receive.

It is understood that, by the verbal arrangement recently made by

your bank with this department, all drafts on New York banks or bankers will be collected by your bank, and that the currency drafts will be converted into coin without charge to this department. Transcripts on which this account will be rendered have this day been sent you, with the necessary instructions as to their use printed on their backs. Should the deposits on this account amount to any considerable sum, it will be necessary for you to furnish additional security bonds, and this I understand you are willing to do.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 444.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, February 2, 1878.

DEAR MR. SECRETARY: A slight improvement took place here yesterday in the price of our securities, although prices at the close of business last night show a falling off during the week of ⅞ per cent. on 1867 bonds, ½ per cent. on 10-40s, 1 per cent. on 5 per cent. funded, and ⅝ per cent. on 4½ per cent. bonds. The transactions, however, have been very light. It is said that a strong influence is being exerted just at the present time to maintain the prices of our bonds; that, in the stock exchange parlance, there are "bulls" in the market. It is thought that New York parties are assisting in, if not controlling, the matter. Certainly the great silver interests may have an object in preventing much of a decline in the price of our bonds.

The newspapers here have almost exhausted the subject of the payment of our bonds in silver. In quoting prices and speaking of the condition of the market, the question is usually alluded to in terms the reverse of complimentary. I inclose an extract from the Monetary Gazette, in which the editor indulges in very strong language regarding the subject.

People regard the action of Congress in taking advantage of any technical construction that the language of the law may be susceptible of as a breach of faith, as dishonest, and as being nothing less than direct repudiation.

The purchasers of our 5 per cent., 4½ per cent., and 4 per cent. bonds, paid for them in gold coin, upon the representations made to them by the agents of the government who placed those loans that both principal and interest were payable in coin, which representations the government knew of and approved.

That the votes of our legislators who were in Congress and voted for the act of 1869 and the refunding act of 1870, and who have been aware ever since the government commenced refunding that it has conducted its operations exclusively on a gold coin basis and promised payment of the bonds it has issued and the interest thereon in gold coin, should have been given in support of the Matthews resolution, shows an inconsistency that it is difficult to account for.

I mentioned in my letter of the 12th ultimo that France was flooded with silver, that there was a growing feeling in favor of the restriction of its circulation, that the government of that country had not permitted during the past year the coinage of more than one-half of the

amount of silver allotted to it by the Latin Union, and that the excessive amount of silver with which it was burdened flowed into it from the states surrounding it. The question of terminating the connection of France with the Latin Union is now being discussed in the French Assembly. The minister of finance introduced a bill (which was passed) providing for a suspension of silver coinage until the end of March, 1879. He intimated that silver might be remonetized in the United States, causing an additional demand for it, which might relieve France of some of her difficulties in maintaining the double standard. He intimated that at a meeting of the delegates to the Latin Union, to be held in October next, the question of continuing the double standard would be thoroughly discussed. France has already experienced the difficulties growing out of a double standard.

The sentiment in favor of the single gold standard is rapidly gaining ground in that country. This second suspension of silver coinage, which must be followed by further suspensions, if the present double standard should be retained, has led people to believe that if constant legislation must be resorted to to preserve a double standard, such a standard can have but little value.

With great respect, I remain yours, truly,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 445.

Mr. Sherman to Kentucky National Bank, Louisville.

TREASURY DEPARTMENT, *February* 2, 1878.

L. C. MURRAY, Esq.,
Cashier Kentucky National Bank, Louisville, Ky.:

SIR: Your letter of the 30th ultimo, in which you refer to circular of First National Bank of New York, generally distributed in your vicinity, by terms of which 4 per cent. bonds are offered for par and accrued interest in coin, and ¼ per cent. commission allowed to subscribers, and ask if your bank cannot be put upon the same terms by the department, has been received. In reply, I have to say that no facilities are offered to that bank by this department which are not obtainable by any national bank.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 446.

Mr. Sherman to Davenport National Bank, Iowa.

TREASURY DEPARTMENT, *February* 2, 1878.

PRESIDENT DAVENPORT NATIONAL BANK,
Davenport, Iowa:

SIR: In reply to your letter of the 29th ultimo, inquiring whether subscriptions to the new loan may be made in silver coin, I have to inform you that under existing laws *gold* is the only coin which will be received in payment of subscriptions to the 4 per cent. funded loan of 1907.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 447.

Mr. Hawley to National Albany Exchange Bank.

TREASURY DEPARTMENT, *February* 2, 1878.

PRESIDENT NATIONAL ALBANY EXCHANGE BANK, *Albany, N. Y.:*

SIR: In reply to your letter of the 29th ultimo, asking in what manner the commissions of one-quarter per cent. on subscriptions to the loan of $1,000 and over are paid, I have to inform you that commissions on all subscriptions will be adjusted at the department, and paid by check separately.

Very respectfully,

JOHN B. HAWLEY, *Assistant Secretary.*

No. 448.

Mr. Sherman to First National Bank, Cincinnati, Ohio.

TREASURY DEPARTMENT, *February* 2, 1878.

CASHIER FIRST NATIONAL BANK, *Cincinnati, Ohio:*

SIR: Your letter of the 29th ultimo, inquiring whether you can transfer the coin received by your bank on account of subscriptions to the 4 per cent. funded loan of 1907 to New York, as you now make currency transfers, and whether bonds sent the Treasurer of the United States to secure deposits on account of the loan will be registered in the name of the Treasurer of the United States, in trust, has been received.

In reply, I have to inform you that the coin received by your bank may be transferred to the United States assistant treasurer, New York, in the same manner as currency transfers are now made, and that all security bonds to be held by the Treasurer of the United States will be registered in his name, in trust, &c., and when returned to the bank will be reassigned.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 449.

Mr. Sherman to Mr. Cockrell.

TREASURY DEPARTMENT, *February* 4, 1878.

Hon. F. M. COCKRELL, *United States Senate Chamber:*

SIR: Your letter of the 30th ultimo, in which you ask that the dates and denominations, numbers and amounts, of each denomination, and dates of payments of interest of all bonds designated in the public debt statement be furnished you, has been received.

I have the honor to inclose herewith a statement of the loans to which you refer, giving amounts outstanding, dates when interest is payable, also denominations. To give the numbers and the amount of each denomination now outstanding would involve a great deal of labor, and the statement would not be correct when completed, as bonds are being transferred and exchanged in large amounts daily, and the books are changed from hour to hour.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 450.

Mr. Sherman to First National Bank, Marlboro', Mass.

TREASURY DEPARTMENT, *February* 4, 1878.

CASHIER FIRST NATIONAL BANK, *Marlboro', Mass.:*

SIR: In reply to that portion of your letter of the 28th ultimo making certain inquiries concerning the receipt of subscriptions to the four per cent. funded loan of the United States, I have to inform you—

1st. That no specific amount of bonds to secure deposits is required previous to the designation of your bank as a depositary.

2d. Depositary banks may subscribe for the bonds as well as individuals.

3d. Under the provisions of the third paragraph of the circular of January 21, 1878, the bonds subscribed for will be held by the department as security until other bonds of equal amount are substituted in their stead, or the coin deposited in the banks has been paid upon Treasury drafts or transferred to a sub-treasury office.

4th. One-fourth of one per cent. commission will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000, and the bonds will be transmitted free of charge to the subscribers upon the receipt of full payment.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 451.

Mr. Sherman to Mr. Davis.

TREASURY DEPARTMENT, *February* 5, 1878.

DEAR SIR: Your letter of the 28th ultimo is received, and I have had the pleasure of a conversation with your brother, Judge Davis, about your plan to be adopted by the Real Estate Trust Company for the purchase of government bonds.

While the plan seems a feasible and proper one, I do not think it best for me to write such a letter as you ask for, as I do not wish that my name should be used in any way in connection with the loan except on official papers from the department.

My general position is well known to be in favor of every available agency to secure the holding by our citizens of our government securities.

Very truly, &c.,

JOHN SHERMAN, *Secretary.*

THOS. A. DAVIS, Esq., *New York.*

No. 452.

Mr. Sherman to First National Bank of Charleston, S. C.

TREASURY DEPARTMENT, *February* 5, 1878.

PRESIDENT FIRST NATIONAL BANK, *Charleston, S. C.:*

SIR: Your letter of the 31st ultimo, stating that it is not practicable in your city to receive gold coin for subscriptions to the loan, but that

you can sell bonds for full payment in currency, the equivalent of gold, and asking whether, if your bank deposits $5,000 or $10,000 United States bonds as security, the department will put the same amount of the new bonds in your hands for sale, also asking whether the department will send bonds by express, C. O. D., has been received.

In reply I have to inform you that the department cannot place bonds in your hands for sale. The bonds will not be issued until they shall have been subscribed for and a certificate of deposit for their amount shall have been received.

They will be transmitted to the subscribers free of charge upon receipt of full payment, or upon the receipt of other United States bonds of an equal amount, as provided in paragraph 3 of the circular herewith inclosed.

Arrangements have been made by which the Secretary of the Treasury will receive in payment of subscriptions to the loan coin or currency checks drawn on banks or bankers in New York.

The currency checks will be converted into coin at current rates without expense to the owner, and in every case any excess over amount due on subscription will be returned to the subscribers.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 453.

Mr. Sherman to Canastota National Bank, Canastota, N. Y.

TREASURY DEPARTMENT, *February* 6, 1878.

CASHIER CANASTOTA NATIONAL BANK, *Canastota, N. Y.:*

SIR: Your letter of the 4th instant, stating that you will be pleased to negotiate for the sale of some of the 4 per cent. bonds, and asking if there is any provision made for advertising, and what commission is allowed for selling the same, has been received. In reply I have to inform you that no provision has been made to advertise the bonds except by department's circulars of January 16 and 21, 1878, copies of which are inclosed herewith, and that a commission of one-quarter of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000. Should your bank desire to become a depositary to receive deposits on account of subscriptions for the 4 per cent. funded loan of 1907 in accordance with the conditions of department's circular of January 21, 1878, it will be designated for that purpose upon receipt of an application therefor.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 454.

Mr. Sherman to Omaha National Bank, Omaha, Nebr.

TREASURY DEPARTMENT, *February* 7, 1878.

CASHIER OMAHA NATIONAL BANK, *Omaha, Nebr.:*

SIR: Your letter of the 29th ultimo, addressed to the Treasurer of the United States, stating that you would like to act as the agent for the

four per cent. funded loan of 1907, provided the Treasurer of the United States will draw on you for coin, or allow you the cost of making gold exchange payable at the East, which costs you from three-eighths to one-half per cent., has been received. In reply, I have to inform you that the cost of exchange cannot be allowed you, but that the department will, in adjusting your deposit account, credit your bank with the amount of any gold deposited by you to the credit of the Treasurer of the United States, with any United States assistant treasurer, as a transfer from your bank; or, if you prefer it, the Treasurer will draw on your bank in favor of Adams Express Company, payable at sight, from time to time, and for such amounts in gold as may have been deposited therein on account of subscriptions to the loan.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 455.

Mr. Hawley to Rollstone National Bank, Fitchburg, Mass.

TREASURY DEPARTMENT, *February* 7, 1878.

CASHIER ROLLSTONE NATIONAL BANK, *Fitchburg, Mass.:*

SIR: Your letter of the 5th instant, asking if, in receiving subscriptions to the four per cent. funded loan, you shall credit the Treasurer of the United States with the par value of the bonds and accrued interest, or with the par value of the bonds less the commission, plus the accrued interest; also, if you must forward the transcripts, if no bonds have been sold or subscribed for, has been received.

In reply, I have to inform you that the transcripts should be forwarded both to this and the Treasurer's Office, without fail, on the dates printed upon the backs thereof, whether or not there has been any transactions, charging the balance on this account.

The Treasurer should be credited with the par value of the bonds and accrued interest, placing the proper amounts in the columns headed "Principal" and "Interest," respectively.

Commissions will be adjusted at the department and paid by check separately.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 456.

Mr. Sherman to First National Bank, Galveston, Tex.

TREASURY DEPARTMENT, *February* 8, 1878.

CASHIER FIRST NATIONAL BANK, *Galveston, Tex.:*

SIR: Your letter of the 30th ultimo, asking if the third paragraph of department's circular of January 21, 1878, means that persons depositing gold in national banks, which are already government depositaries, will be obliged to wait for the bonds for which they have subscribed, and lose the interest of their money until the bank shall have paid the amount into the Treasury, and stating that there are some funds in your vicinity waiting investment in four per cent. bonds; also, that you could forward the gold deposited for bonds to the United States assistant

treasurer at New Orleans, at a cost of $2.50 per $1,000, if it would suit the department to pay the cost of transportation, has been received.

In reply, I have to inform you, 1st, that bonds subscribed for will be issued upon receipt of a proper certificate from the bank stating that the coin, including the amount of principal and accrued interest, has been deposited to the credit of the Treasurer of the United States, but they will be held by the department as security until other United States bonds of an equal amount are substituted in their stead, or the coin deposited has been paid upon Treasury drafts or transferred to a sub-treasury office; 2d, the interest is payable quarterly, and will be paid to the subscriber from the first day of the current quarter in which the subscription shall have been made; 3d, the department cannot allow the cost of exchange or transportation, but will in adjusting your deposit account credit your bank with the amount of any gold deposited by you to the credit of the Treasurer of the United States, with any United States assistant treasurer, as a transfer from your bank, or, if you prefer it, the Treasurer will draw on your bank from time to time and for such amounts in gold as may have been deposited therein on account of subscriptions to the loan.

Should your bank desire to become a depositary to receive deposits on account of subscriptions for the 4 per cent. funded loan of 1907, in accordance with the conditions of department's circular of January 21, 1878, it will be specially designated for that purpose upon receipt of an application therefor.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 457.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C. England, February 9, 1878.

DEAR MR. SECRETARY: Your note of the 21st ultimo, inclosing circular inviting subscriptions, and also circular to banks to facilitate subscriptions to the 4 per cent. loan, and stating that you will keep me advised of any movements, &c., came duly to hand. I have been advised by the associates here that the consideration of the question of a new contract has been postponed to the 6th of March.

A great many rumors in regard to political complications in the Eastern question—British interests—and the contemplated action of the British Government, have kept the market here during the present week in a state of alarm and excitement, and prices of all descriptions of stocks have varied considerably. The prices of our securities at the close of business yesterday show a falling off during the week as follows: $\frac{3}{8}$ per cent. on 1867 bonds; 1 per cent. on 10-40 bonds; $\frac{5}{8}$ on 5 per cent. funded, and $\frac{3}{4}$ per cent. on 4½ per cent. funded. The belief, which has been quite general here, that the proposed legislation on the silver question will be modified, and that, as a consequence, the actual value of our bonds will be less affected than was at first supposed, has prevented a greater decline in the prices of them. Four and one-half per cent. bonds were quoted at three o'clock on yesterday at £103½, which is about the equivalent of par. No transactions, however, took place at any price less than £103¾. These bonds have heretofore (*i. e.*, prior to the com-

mencement of the silver excitement) been in good demand here at £106½, accrued interest of course being equally the same. This difference, however, does not really represent the decline which has taken place in the price of our bonds. Owing to the complications growing out of the Eastern question, our bonds would have steadily advanced in price had it not have been for the interposition of the silver agitation.

I think it would be well for the advocates of an unlimited silver coinage to consider the fact that (notwithstanding their predictions to the contrary) the prices of our bonds have been seriously affected by the agitation of the silver question; while on the other hand the almost known certainty of the passage of a silver bill has not caused any advance in the price of silver; on the contrary, the price is now about one penny per ounce less than it was at the time of the beginning of the agitation in Congress.

It is not probable that one-half of the amount of silver taken for the East during last year will ever again be required by it in any one year.

Any demand which may be occasioned in the United States for silver, in the event of the passage of the bill remonetizing it, will not equal or make good in the market the loss which it will sustain on account of the diminished requirements of the East for silver. I doubt whether the present price of silver can be maintained. In my letter of January 24th last, I gave statistics in regard to the Eastern demand for silver, &c., which I think bear out my views as to the future price of that article.

I am, very respectfully, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 458.

Mr. Sherman to National Bank of Commerce, New York.

TREASURY DEPARTMENT, *February* 11, 1878.

CASHIER NATIONAL BANK OF COMMERCE, *New York:*

SIR: Occasionally checks or drafts drawn on other cities than New York are forwarded to the department on account of subscriptions to the four per cent. funded loan of the United States, and I have to inquire whether your bank will collect such checks and deposit proceeds without discount of their face value.

The certificates need not be issued until you are advised of the payment of the drafts.

A draft on Chicago is now held at this office awaiting your reply.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 459.

Mr. Sherman to Farmers' National Bank of Ripley, Ohio.

TREASURY DEPARTMENT, *February* 11, 1878.

CASHIER FARMERS' NATIONAL BANK, *Ripley, Ohio:*

SIR: Your letter of the 6th instant, asking if you can deposit coupon or registered United States bonds as security for subscriptions to the

four per cent. funded loan of 1907, and, if so, who pays the express charges on the coupon bonds, has been received.

In reply, I have to inform you that any United States bonds will be received as security for subscriptions to the loan, and that all such security for subscriptions will be registered in the name of the Treasurer of the United States in trust, &c., and when returned to the bank will be reassigned.

The bank depositing the bonds will be required to pay all express charges thereon.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 460.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
New York, February 12, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Your letter of the 11th instant has been received, asking if we will collect checks or drafts drawn on other cities than New York, which are forwarded to the department on account of subscriptions to the four per cent. loan, and deposit proceeds without discount of their face value.

Being desirous to make our services available to the department in every possible manner, we will cheerfully make such collections and credit proceeds at their face value, after we shall have been advised of their payment.

Yours, very respectfully, HENRY F. VAIL, *President.*

No. 461.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *February* 13, 1878.

CONANT, *London:*

I hear nothing favorable from contracting parties concerning continuation of funding in London.

When will bonds you hold be returned, and how?

SHERMAN.

No. 462.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *February* 13, 1878.

CONANT, *London:*

As stated in my letter of the 12th, I think 4 per cent. business will terminate in London March 6. Will you then return with 4 per cent. bonds or shall I send party for bonds? Answer. SHERMAN.

No. 463.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, February 14, 1878.

DEAR MR. SECRETARY: Your letter of the 28th ultimo, inclosing copy of agreement in regard to the fifty-fifth call, and stating that the syndicate insisted that after January 26 they ought not to pay the expenses of this office, but that by common consent it was agreed that the office should be continued until further consultation about it, and expressing your opinion that the expenses of the same up to March 6 should be paid by the contracting parties, and also inviting my consideration and full report as to the necessity and usefulness of continuing the agency here, &c., and inquiring if I could probably sell any bonds in the European market if the market was thrown open, was duly received.

In my letter of January 31st I remarked that the associates suggested that I should remain here for the present, as they seemed disposed, I then thought, to comply with your wishes respecting a new contract for refunding on this side. I will now add that they were apparently desirous of having the agency continued, and I understood were quite willing to defray its expenses. Pending a new arrangement with the parties here for disposing of our bonds in this market, they would naturally consider it to be to their interest to have this office continued, while the associates at home, not anticipating any further connection with refunding, would just as naturally wish to have the office discontinued, to put an end to expenses.

In regard to the necessity and usefulness of continuing this agency, I am of the opinion that if a syndicate is to be employed here in refunding operations the agency would be indispensable to its success, because it would furnish the syndicate with a medium through which it could transact its business with the government in a more economical manner, and with greater dispatch than by any other method. It must be borne in mind that our government pays a very small commission, much less than that paid by any other government, for negotiating loans, and for that reason it seems to me that it ought to offer every reasonable and proper facility to a syndicate which would benefit it in conducting its operations. The advantages which a syndicate would derive through transacting business through an agency here are quite numerous, and in fact if deprived of these advantages I do not think any syndicate would undertake to place our bonds here. By the transmission of the bonds by government officials from Washington to the agency here a saving of about one-fourth of one per cent. in insurance is made to the syndicate, and an equal amount is saved in insurance on called bonds, coupons, &c., returned to the department through the agency in payment of the bonds issued. No syndicate would ever undertake to send bonds back and forth without insuring them, and, as you will perceive, the cost of insurance, with other expenses, would amount to more than the commission paid. Besides, even if insured, in case of an accident to the bonds, the syndicate would suffer a loss.

In sending bonds to and from this agency by Treasury officials, I do not think the government assumes any risk, because the bonds sent here are unissued, and are so treated until they are issued here, and the bonds, coupons, &c., returned in payment for the bonds issued are canceled and made worthless before they are sent home, and the gov-

ernment could arbitrarily refuse any liability arising from loss in either case. Another great advantage is gained to the syndicate in having the transaction completed here. In this respect they would be placed on an equal footing with people at home who have business transactions with the government. Delays would be avoided, and settlements and payments could be more promptly made. Another advantage to both the government and the syndicate may be mentioned, and that is the opportunity which would be afforded through the agency for the registration of bonds here; without that feature probably but very few registered bonds could be sold in this market.

It has been the universal custom in this country among investors to place their funds in the hands of their bankers and brokers for investment, and even institutions and large investors will not purchase foreign stocks except on the advice of bankers in whose judgment they have confidence. At home a person having money to invest would, on reading one of your circulars offering terms, decide for himself the question of purchasing United States bonds. But such would not be the case here. An investment must always be a matter of confidence, and people who make an investment will, before doing so, seek the advice and counsel of bankers. The influence of a house like that of the Messrs. Rothschild on the market, and on the minds of investors, cannot be measured.

Whether an agency here, not connected with an association of bankers, could be made useful in placing bonds, except perhaps to a very limited extent, is a question in my mind of considerable doubt.

In the present condition of the market, and in the peculiar condition in which it is likely to be for some time to come, on account of the silver question, an agency could accomplish but very little in the matter of disposing of bonds. It would have no capital to employ in building up a market or maintaining steady prices. Pending the agitation of the silver question the syndicate have felt that it was useless for them to undertake to make sales of our bonds, but they have done something in the way of preventing a panic among investors and to maintain prices. Judging from your remarks in regard to the probable passage of a bill for the remonetization of silver, it would seem that we must expect to meet with a new obstacle in the way of disposing of our bonds here which may make the employment of bankers more necessary now than ever before.

My impression is that the associates here will be willing to continue the syndicate on this side under the terms of your last contract with them, and that they will defray the expenses of the agency here whether or not they succeed in selling our securities.

If they will defray all expenses here, and there is no doubt, I think, but that they will agree to do so, I should certainly advise you to allow the parties here to make a further trial.

It is a fact that the English people have less knowledge of the financial affairs of the United States than they have of those of European and other foreign countries, and for that reason an agency can be made very useful here in supplying information on that subject. A great many inquiries are made of us concerning our loans, currency, expenditures, income, &c. The cost of the agency could be still further reduced, at any rate until there should be an increase of work. The cost of the agency is at present at the rate of about fifteen hundred dollars per month. This amount could be reduced by discontinuing the services of one person, but in case of an active resumption of business the services of another person would again be required.

In the present state of affairs it is absolutely impossible to form any conjecture as to what can be accomplished here, but I think after the passage of the silver bill we can soon determine what can be done with our bonds in this market.

With great respect, I am, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 464.

Mr. Buckner to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 14, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: On the 22d of January, ultimo, the House of Representatives adopted a resolution of inquiry, of which I have the honor to inclose a copy.

As preliminary to the inquiry directed in the resolution, the committee respectfully requests to be furnished with a statement, at as early a date as practicable, which shall show—1st, the amount of gold coin held and owned by the government, and where held; 2d, the amount of gold bullion held and owned by the government, and where held; 3d, the amount of gold coin and bullion held by the government belonging to private persons; 4th, how much of the gold coin and bullion held and owned by the government is required for the purposes, 1st, of sinking fund and interest; 2d, redemption of called bonds and interest thereon; 3d, interest due and unpaid on public debt; 4th, interest accruing, but not yet due on public debt; and, 5th, payment of outstanding gold certificates or gold notes.

The committee respectfully requests to be informed further—1st, of the amount of coin certificates outstanding, and whether these are in excess of the gold coin and bullion actually held in the Treasury for their redemption; and if so, to what extent; 2d, the amount of coin certificates in the offices of the assistant treasurers unissued, and whether such unissued certificates are counted in the public debt statements, made monthly or otherwise, as part of the coin balance to the credit of the Treasury; 3d, the amount of coin coupons in the offices of the assistant treasurers paid and uncanceled, and whether such coupons are included as part of the coin balance; 4th, the amount of silver coin held and owned by the government, and where held; the amount of silver bullion held and owned by the government, and where held; and the amount of silver coin and bullion held by the government belonging to other parties.

Very respectfully, yours, A. H. BUCKNER,
Chairman of Committee on Currency and Banking.

Resolution of House of Representatives concerning condition of the Treasury.—Inclosure to letter of Mr. Buckner dated February 14, 1878.

FORTY-FIFTH CONGRESS, SECOND SESSION,
House of Representatives, January 22, 1878.

Mr. Ewing, from the Committee on Banking and Currency, submitted the following resolution, which was adopted:

Resolved, That the Committee on Banking and Currency be instructed to ascertain and report, for the information of the House, as soon as practicable, the amount of gold and silver coin and bullion now held and owned by the United States; the amount of coin obligations of the government now due, or which will fall due prior to the 1st of January, 1879, or which have been called for payment prior to that date; the amount of bonds which have been sold by the Secretary of the Treasury for coin, but which are not yet paid for, and the date or dates when such coin is payable; the probable amount of gold and silver now held in the United States, and the movement of coin and bullion to and from this country now occurring, or which may be reasonably anticipated in the present condition of our foreign debt, expenditures, and trade; the amount of loans and deposits of banking institutions in the United States, and the amount of bullion, coin, bank notes, or legal tenders now or recently held by them, so far as such information may be readily ascertained from official reports, or otherwise; and such other facts as, in its judgment, will tend to inform the House when and by what method it will probably be practicable and consistent with the public welfare to resume specie payments, or establish equality of value between paper and coin.

For the purposes of such inquiry, said committee shall have power to send for persons and papers, to administer oaths, to take testimony, and to employ such clerks and other persons as, in its judgment, may be necessary; and the expenses incurred by the committee shall be paid out of the contingent fund of the House on vouchers approved by the committee.

No. 465.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *February* 15, 1878.

SHERMAN, *Washington:*

Not necessary to send party from Washington for 4 per cent. bonds. Coon and probably myself will take them over. London parties have not given up hope. CONANT.

No. 466.

Mr. Sherman to the Secretary of State.

TREASURY DEPARTMENT, *February* 15, 1878.

The Hon. WM. M. EVARTS, *Secretary of State:*

SIR: In response to your communications of the 16th ultimo and 4th instant, relative to the request of the minister of the Netherlands in this country to be furnished with information of the laws and regulations in force in the United States, concerning the floating debt of the country, and to be advised of its amount, the manner in which the same was contracted, the provisions made in reference to its extinction, and the mode in which interest is calculated and paid; also, whether the certificates of the floating debt are recognized in any measure as legal tenders, and if so, in what amount, I have the honor to send herewith a compilation of the laws authorizing the issue of United States secu-

rities, also public debt statement, which specifies the amount of the debt outstanding. Such bonds were issued in pursuance of laws of Congress contained in pamphlet herewith, marked 1. The public debt statement indicates the rates of interest paid on United States securities, and the manner of paying interest is as follows: On a portion of the registered debt, interest is paid by checks drawn at the department to order of payees and mailed to their address; on a portion, it is paid by schedule in the hands of the Treasurer of the United States, which are signed by the payees of bonds, or their attorneys.

The interest on all coupon bonds is realized by the detachment of coupons which pass by delivery, and are payable by the Treasurer and assistant treasurers of the United States.

By reference to the act of February 25, 1862, on page 43 of pamphlet marked 1, it will be seen what provision of law exists for a legal tender, also what provision was made for the extinction of the debt by means of a sinking fund.

In table 21, page 376, Finance Report, will be found a clear and explicit statement of the condition of United States notes.

I inclose copy of an act of Congress, approved January 14, 1875, entitled "An act to provide for the resumption of specie payments," which indicates the means for the redemption of United States notes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 467.

Register of the Treasury and Treasurer United States to Mr. Sherman.

TREASURY DEPARTMENT,
Register's Office, February 15, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Owing to the large increase in the number of accounts of subscribers to the 4 per cent. consols of 1907, it has become almost impracticable to prepare the schedules and interest checks within the fifteen days now allowed for that purpose.

We therefore respectfully request that the time fixed for closing the transfer books of that loan be the tenth of the month preceding the day appointed for each payment, instead of the fifteenth, as the rule now is.

Very respectfully, your obedient servants,

JOHN ALLISON, *Register.*
JAS. GILFILLAN, *Treasurer.*

No. 468.

Messrs. Morgan, Morton & Seligman to the President.

[Cable telegram.]

LONDON, *February* 15, 1878.

To his Excellency the PRESIDENT, *Washington:*

The universal feeling here is that public faith [is] solemnly pledged to payment in gold of all bonds issued under funding act 1870, under

which government demanded and received gold coin therefor. In our opinion it will justly be considered breach of public honor now to break the pledge given by the Cabinet in Secretary Sherman's letter June 19, 1877, in which it is stated that the essential element of good faith in preserving the equality in value between the coinage in which the government receives and that in which it pays these bonds will be sacredly observed by the government and the people of the United States.

Whatever may be the system of coinage which the general policy of the nation may at any time adopt, it is this pledge which public faith and public honor alike demand shall be held inviolable.

MORGAN, MORTON, SELIGMAN.

No. 469.

Mr. Sherman to the American Guaranty and Indemnity Company.

TREASURY DEPARTMENT, *February* 20, 1878.

A. H. ALMY, Esq.,
Pres't American Guaranty and Indemnity Company,
Norwich, Conn.:

SIR: Your letter of the 16th instant, asking if your company by depositing government bonds can receive for sale a like amount of the new four per cent. Consols of 1907, to be reported when sold, thus avoiding the risk of fluctuations and at the same time enabling you to keep a supply of the various denominations on hand, also asking if bonds subscribed for will be delivered free of expense, has been received.

In reply, I have to inform you that the department cannot place bonds with your company for sale, but upon receipt of full payment, including accrued interest, the bonds will be transmitted *free of charge* to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions. No commission, however, will be paid upon any single subscription less than $1,000.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 470.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *February* 21, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

HONORABLE SIR: An impression has been created very generally that the passage by the Senate of the silver bill has thus far not influenced to any extent the price of United States bonds in Europe and that holders abroad are not selling. This supposition is incorrect, and we thought we would address you to say that at no time during the silver agitation was there such a pressure by European holders of our bonds to sell as since Monday last. Thus far our home market has absorbed a good part of the bonds coming from Europe, and a large share of these imported bonds has gone into speculative hands, but we think the signs are to-day that both these channels are filled, and consequently any

further importations, which are certain to come should the silver bill become a law, will precipitate something like a panic in government bonds.

We thought this information might be of interest to you, and

We remain, honorable sir, yours obediently,

KUHN, LOEB & CO.

No. 471.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, February 22, 1878.

DEAR MR. SECRETARY: On the 14th instant I had the honor to receive a dispatch from you as follows: "As stated in my letter of the 12th, I think 4 per cent. bonds business in London will be terminated March 6. Will you then return with 4 per cent. bonds, or shall I send party for 4 per cent. bonds?" And on the 15th I answered, "Not necessary to send party from Washington for 4 per cent. bonds. Coon, and probably myself, will take them over. London contracting parties have not given up hope."

The letter referred to, I suppose, was written on the 12th instant, and that it will reach me next week. The contracting parties here have entertained the hope that legislation on the silver question would be modified through some kind of a compromise, and that sales of bonds might be continued here. The dispatches of to-day, conveying the information that the House had passed the Senate bill by more than a two-thirds majority, have destroyed all hope of placing bonds here at present at par. The provisions of the bill are not of quite such a damaging character as I have expected the silver extremists would demand, and as I have thought they had the power to secure. I believe that a rigid enforcement of this law will secure its repeal within the next three years. It is difficult to determine what the effect of the final passage of the bill will be upon the future price of our securities here, or to what extent it will cause them to be sent home.

Four and one-half per cent. bonds were offered here yesterday at one per cent. below their issue price, but there were no buyers.

I do not now think that any panic will occur among investors in our securities.

With great respect, yours, truly, CHAS. F. CONANT.

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 472.

Circular in regard to the closing of the books of the Treasury Department to the transfer of registered stock of the five per cent. funded loan of 1881; *four-and-a-half per cent. funded loan of* 1891; *and four per cent. consols of* 1907; *acts of July* 14, 1870, *and January* 20, 1871.

1878.
Department No. 14.
Secretary's Office.

TREASURY DEPARTMENT, *February* 23, 1878.

Hereafter the books of this department will be closed to the transfer of all the registered stock, whether held abroad or in the United States,

of the five per cent. funded loan of 1881; four-and-a-half per cent. funded loan of 1891; and four per cent. consols of 1907, as follows:

5 per cent., 1881s, on the evenings of the 10th of January, April, July, and October.

4½ per cent., 1891s, on the evenings of the 10th of February, May, August, and November.

4 per cent., 1907s, on the evenings of the 10th of March, June, September, and December.

And reopened as follows:

5 per cent., 1881s, on the mornings of the 1st of February, May, August, and November.

4½ per cent., 1891s, on the mornings of the 1st of March, June, September, and December.

4 per cent., 1907s on the mornings of the 1st of April, July, October, and January.

If bonds forwarded for transfer are not received prior to the date for closing the transfer books, interest checks will be drawn in favor of the party in whose name the bonds stood at the closing, and the assignee must look to the assignor for the accrued interest for that quarter.

JOHN SHERMAN, *Secretary.*

No. 473.

Mr. Buckner to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
Washington, D. C., February 25, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: On the 14th instant I had the honor to address you a letter inclosing copy of a resolution of inquiry adopted by the House of Representatives January 22, ultimo, in which letter certain information was asked with a view to make it the basis of the inquiry directed by the resolution.

The committee is very earnestly desirous of proceeding with the proposed inquiry as promptly as possible, and would be glad of an early reply to my letter of the 14th.

With great respect,

A. H. BUCKNER,
Chairman of Committee on Banking and Currency.

No. 474.

Mr. Sherman to Mr. Buckner.

FEBRUARY 27, 1878.

Hon. A. H. BUCKNER,
Chairman Committee on Banking and Currency,
House of Representatives:

SIR: I have the honor to inclose herewith a copy of a letter from the United States Treasurer which, I believe, answers all the inquiries made by you; but if in any respect it is not as full as desired, anything further will be promptly furnished.

In pursuit of the inquiry directed by the House of Representatives, I would respectfully suggest that a sub-committee might, at any time that will suit their convenience, verify the statements presented by an actual inspection, and, as far as they deem advisable, an actual count of the moneys on hand.

Very respectfully, JOHN SHERMAN, *Secretary.*

[*Inclosure to letter dated February 27, 1878, from Mr. Sherman to Mr. Buckner.*]

TREASURY OF THE UNITED STATES,
Washington, February 26, 1878.

SIR: I have the honor to acknowledge the receipt by reference from you of a letter of the 14th instant, from the chairman of the House Committee on Banking and Currency, inclosing a copy of the House resolution of the 22d ultimo, and calling for certain information under said resolution, which is submitted herewith.

There are eight general inquiries submitted by the committee, which are answered as nearly as possible in the order in which they occur in their communication. The figures and statements in this letter are based upon the debt statement made at the close of business on January 31, 1878.

The facts desired under the first, second, and eighth inquiries will be found in the following statement showing the amounts of gold coin and silver coin and of gold bullion and silver bullion held and owned by the government, and where held:

At close of business January 31, 1878,

Held by—	Gold coin.	Gold bullion.	Silver coin.	Silver bullion.
Treasurer United States, Washington	$397,628 39		$201,679 74	
Assistant treasurer United States, New York	92,024,604 20	$3,367,713 26	1,171,368 14	
Assistant treasurer United States, Boston	659,618 47		392,540 55	
Assistant treasurer United States, Philadelphia	454,884 35		809,674 75	
Assistant treasurer United States, Saint Louis	274,722 64		273,045 33	
Assistant treasurer United States, San Francisco	1,854,963 38		146,608 35	
Assistant treasurer United States, New Orleans	1,120,121 66		224,170 16	
Assistant treasurer United States, Baltimore	509,154 30		166,450 22	
Assistant treasurer United States, Cincinnati	280,064 83		217,877 33	
Assistant treasurer United States, Chicago	528,326 04		253,349 38	
Mint United States, Philadelphia	1,403,416 24	637,557 34	748,546 67	$671,116 55
Mint United States, San Francisco	978,757 74	5,039,352 92	41,327 65	893,651 51
Mint United States, Carson City	224,154 54	73,693 61	427,894 76	214,462 31
Mint United States, Denver	3,000 00		100 00	
United States assay office, New York	3,672,671 37	2,079,834 24	21,148 22	1,048,137 70
United States assay office, Boise City			500 00	
United States assay office, Charlotte			200 00	
United States assay office, Helena			500 00	
First National Bank, Milwaukee, Wis	28,078 19			
First National Bank, Portland, Oreg	165 00			
Total	104,414,331 34	11,198,151 37	5,097,181 25	2,827,368 07

Third. This office has no information of gold coin or bullion, or of silver coin or bullion, held by the government, belonging to private individuals, other than the gold coin standing to the credit of various disbursing officers, which is not included in the first column of the statement given above, as it does not form part of the coin balance of the Treasury. I am informed, however, by the Director of the Mint, that the amount of unpaid deposits, belonging to private individuals, and held by the mints of the United States and United States assay offices, on January 31, 1878, was as follows, namely:

For gold bullion deposits	$527,046 91
For silver bullion deposits	1,587,398 64
Total	2,114,445 55

Fourth. As to the current demands against the gold coin and bullion held and owned by the government:

1st. For the sinking fund and interest thereon: By the books of estimates for the fiscal year ending June 30, 1878-9, page 175, it appears that there may be required

for the service of the current fiscal year the sum of $35,424,804.80. Of which, under section 3689 Revised Statutes, "one per cent. of the public debt" is $22,053,013.92; and, under section 3688 Revised Statutes, "interest on the sinking fund" is $13,371,790.88.

By the act approved April 17, 1876 (19 Statutes, 34), fractional currency exchanged for silver is applied to the sinking fund; but no estimate can be made of the amount, nor how much, if any, of the gold coin and bullion now held and owned by the government will be required for the sinking fund and interest thereon.

2d. For redemption of called bonds, and interest thereon: It appears by the debt statement that there was, on the 31st ultimo, outstanding, of—

Called bonds	$10,836,100 00
Interest thereon	413,141 13
Other coin bonds and notes, and interest thereon	268,339 92
Total	11,517,581 05

3d. For interest due and unpaid on the public debt: It appears by the debt statement that there was, on the 31st ultimo, coin interest due and unpaid, $5,924,136.32.

4th. For interest accruing but not yet due on the public debt: It appears by the debt statement that the accruing and not due coin interest, on the 31st ultimo, amounted to $15,903,387.78.

5th. For the payment of gold certificates outstanding: It appears from the debt statement that there was outstanding, on the 31st ultimo, gold certificates amounting to $42,733,800.

Fifth. As to the amount of coin certificates outstanding: After deducting all held in the cash of the various assistant treasurers, there were outstanding of gold certificates, on the 31st ultimo, $39,766,600; these were not in excess of the gold coin held in the Treasury for their redemption, and as required by section 254 Revised Statutes.

Sixth. The amount of gold certificates held in the offices of the assistant treasurers and counted as gold, on the 31st ultimo, was $2,967,200; and were reported among the outstanding coin certificates, and were also included in the coin balance in the Treasury, but are not included in the statement of actual coin held and owned by the government, given above.

Seventh. Of coin coupons paid and uncanceled, there was, at the close of business on the 31st ultimo, the sum of $851,507.80 in the offices of the assistant treasurers; and such coupons were included as a part of the coin balance, but are not included in the actual coin on hand, as given in the tabular statement above; there was also counted as cash, on that date, paid registered interest and other coin items, amounting to $419,529.25, included in the coin balance but not included in the actual coin on hand in the statement above referred to.

Very respectfully, JAS. GILFILLAN, *Treasurer United States.*

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 475.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *March* 1, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury, Washington, D. C.:*

DEAR SIR: In view of the legislation enacted by Congress in the passage of the silver bill yesterday, we beg to inform you herewith on behalf of ourselves and the associates in the contract of June 9, 1877, that in accordance with the agreement contained in your letter of the 5th November, 1877, with reference to the 55th call, the members of the syndicate are relieved from any further liability to take any 4 per cent. bonds on account of said call.

Be kind enough to acknowledge receipt of the present and oblige

Yours, very respectfully, AUG. BELMONT & CO.

No. 476.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT *March* 2, 1878.

Messrs. AUGUST BELMONT & Co., *New York.*

GENTLEMEN: Your letter of the 1st instant, advising me that in view of the legislation enacted by Congress in the passage of the silver bill the members of the syndicate consider themselves relieved from any further liability to take any 4 per cent. bonds on account of the 55th call, has been received. In making this acknowledgment I will add that I may possibly communicate with you more at length on the subject at some other time.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 477.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *March* 5, 1878.

To the Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Washington, D. C.:

HONORABLE SIR: We again desire to submit to you a bid for $10,000,000 4½ per cent. bond, and would respectfully request you to inform us whether you are prepared to receive such a bid. In view of the improbability of larger subscriptions to the 4 per cent. loan and the necessity of the Treasury to procure coin for resumption purposes we thought you might now feel disposed to return to the sale of the undisposed of balance of the 4½ per cent. loan.

We remain, honorable sir, yours obediently,

KUHN, LOEB & CO.

No. 478.

1878.
Department No. 20.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., March 6, 1878.

The Secretary of the Treasury will, until further notice, receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest, in coin.

The bonds are redeemable July 1, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The subscriptions may be made for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000.

Two per cent. of the purchase-money must accompany the subscription; the remainder may be paid at the pleasure of the purchaser, either at time of subscription or within thirty days thereafter, with interest on the amount of the subscription, at the rate of four per cent. per annum, to date of payment.

Upon the receipt of full payment, the bonds will be transmitted, free

of charge to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered bonds, the full name and post-office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the Treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed, at the offices of the Treasurer and assistant treasurers of the United States.

Payments for the bonds may be made in coin to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, St. Louis, and San Francisco.

To promote the convenience of subscribers, the department will also receive, in lieu of coin, called bonds of the United States, coupons past due or maturing within thirty days, and gold and silver certificates of deposit; also coin drafts on New York for the amount of their proceeds.

Arrangements have been perfected with the National Bank of Commerce of New York, a public depositary, whereby currency drafts can be received by the Secretary of the Treasury on account of subscriptions to the four per cent. loan, and the coin value thereof, on the day of collection in New York, will be credited to the subscriber. Any amount beyond what is required in payment of the bonds will be returned to subscribers by bank draft with a full statement of the transaction. The coin and currency drafts mentioned should be drawn in favor of the Secretary of the Treasury.

JOHN SHERMAN, *Secretary of the Treasury.*

No. 479.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *March* 7, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We received this morning a telegram from Messrs. N. M. Rothschild & Son of London, with reference to the closing of the London accounts and the departure of Mr. Conant, and had the honor to telegraph Messrs. Rothschild's wishes to you as follows: "Messrs. Rothschild telegraph desire close accounts with Conant; request have London interest account made up at once. Understand from their telegram that Conant will return if no prospects new business. Please telegraph if you wish us make any suggestions"; which we beg to confirm, and we hope to hear from you in reply by wire. Messrs. Rothschild also desire us to place their services at your disposal for the purchase of silver in the London market, and if consistent with your arrangements we shall be pleased if you can give us orders for transmission to them.

Awaiting your kind reply, we remain, very respectfully, yours,
AUGUST BELMONT & CO.

No. 480.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *March* 7, 1878.

AUGUST BELMONT & CO., *New York:*

London statement prepared and will be forwarded to-morrow. Mr. French has the figures. JOHN SHERMAN, *Secretary.*

No. 481.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *March* 7, 1878.

CONANT, *London:*

Interest statement made. Belmont has been advised.

SHERMAN.

No. 482.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 7, 1878.

SHERMAN, *Washington:*

I have to say, in reply to your letter of 12th February, that late contracting parties in London are now considering whether they will maintain agency free of expense for the present, in view of some arrangement for funding.

Better feeling in view of report that Secretary of the Treasury will pay interest in gold coin. Rothschilds desire me to ask you when interest account will be settled. CONANT.

No. 483.

Mr. Sherman to Speaker House of Representatives.

TREASURY DEPARTMENT, *March* 7, 1878.

Hon. SAMUEL J. RANDALL,
Speaker House of Representatives:

SIR: In response to a resolution offered by Mr. Bright, which requests the Secretary of the Treasury to inform the House of Representatives of the Congress of the United States whether he has "authorized the sale of any of the bonds of the United States for the outstanding legal-tender notes of the United States at par, adding the current New York premium on gold, and commission for selling, or whether he has authorized the sale of such bonds for legal-tender notes upon any other terms

than the above stated, and if so, what is the number and the amount of the proceeds of such bonds," &c., I have the honor to state that all bonds disposed of by me have been sold for their par value in coin, as provided by the authorizing act of July 14, 1870.

To promote the convenience of subscribers the department has made arrangements with the National Bank of Commerce of New York (a public depository) whereby currency drafts can be received from subscribers, and collected and converted into coin for them at current rates on the day of the transaction, and such collections and conversions have been made to the extent of about $50,000, representing thirty-five subscriptions.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 484.

Mr. Sherman to Mr. Glover.

TREASURY DEPARTMENT, *March* 7, 1878.

Hon. J. M. GLOVER,
Chairman Committee on Expenditures
in the Treasury Department, House of Representatives:

SIR: Your letter of the 5th instant, requesting me to advise you of the terms of the contract for the sale of 4 per cent. bonds, dated June 9, 1877, has been received.

In reply, I have the honor to state that, in response to a resolution of Mr. Wood, of the Committee of Ways and Means, I forwarded to the Speaker of the House of Representatives on the 23d of November last a copy of said contract.

I cannot say whether the same was printed, but if not I presume the committee did not deem it expedient.

Very respectfully,

JOHN SHERMAN, *Secretary.*

If not printed and you wish it, I can send you another manuscript copy. J. S.

No. 485.

The Chase National Bank, New York, to Mr. Sherman.

CHASE NATIONAL BANK,
New York, March 7, 1878.

SIR: It occurs to me that the banks of this city should resume specie payments in advance of the day fixed for the government's resumption.

I believe they have the ability to do so, but will lack confidence and nerve unless an arrangement like what I here foreshadow can be obtained from you.

By section 5153 of the Revised Statutes you are authorized to constitute national bank depositaries under certain conditions. Before making any suggestions to the bank officers I desire to know whether you can deposit with the banks, subject, of course, to your control, the coins of the United States Treasury; the securities to be government bonds and government obligations, which will include legal-tender notes,

While I do not think any such deposit will be necessary, I feel that the arrangement with you will be necessary to cause the banks to feel safe against any hostile drafts emanating from speculators. Should your response to this be affirmative, I will come to Washington to canvass the whole question with you.

Very respectfully, yours, JOHN THOMPSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 486.

Messrs. Belmont & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *March* 8, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Wish to reply telegram Messrs. Rothschild. Please oblige, and telegraph if you have any suggestions to make about Conant.

AUG. BELMONT & CO.

No. 487.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *March* 8, 1878.

Messrs. KUHN, LOEB & CO., *New York:*

GENTLEMEN: Your letter of the 5th instant, containing your offer to make a bid for 4½ per cent. bonds, is received.

I do not think it will be necessary to sell such bonds, but hope to be able, with some modifications of existing law, to sell the 4 per cent. bonds in ample time.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 488.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *March* 8, 1878.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: In compliance with your telegraphic request of the 7th inst., I transmit herewith statement of United States 4 per cent. bonds, consols of 1907, delivered to Messrs. N. M. Rothschild & Sons, and payments made therefor.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 489.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *March* 8, 1878.

AUGUST BELMONT & CO., *New York:*

With present prospects cannot keep fiscal agent unless associates desire it and will pay expenses. Will negotiate arrangements for sales in London if associates wish.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 490.

Mr. Sherman to the Chase National Bank, New York.

TREASURY DEPARTMENT, *March* 8, 1878.

JOHN THOMPSON, Esq.,
Vice President Chase National Bank, New York:

SIR: Your letter of yesterday is received, and also a telegram from you to-day.

The latter was answered that upon your depositing gold coin with the Assistant Treasurer at New York, there will be delivered to you, as soon as practicable, silver dollars.

In reply to your letter, I have to say that I would not feel authorized to deposit with national banks gold coin now in the Treasury, but I will designate any national bank to act as a public depositary, upon giving the requisite security, &c., to receive the proceeds of bonds sold by the bank, and will leave the money on deposit subject to my order.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 491.

Mr. Sherman to the Merchants' National Bank, Savannah, Ga.

TREASURY DEPARTMENT, *March* 8, 1878.

President Merchants' National Bank, Savannah, Ga:

SIR: In reply to your letter of the 5th instant, inquiring if, since the silver bill has been passed, payment for subscriptions to the 4 per cent. bonds can be made by depositing silver with the United States Assistant Treasurer at New York, I have to inform you that the legal-tender silver dollars will be received the same as gold coin in payment of subscriptions to the loan.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 492.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *March* 9, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We beg to acknowledge receipt of your communication of the 8th instant, with reference to continuing sales of the 4 per cent. bonds in Europe, and have communicated its contents to Messrs. Rothschild. We shall be pleased if they can see their way clear to make some new propositions to you, but we fear that as long as the public at large enjoys the same facilities that are accorded to a syndicate, either here or in Europe, there will hardly be any possibility for our associates and ourselves to render our services efficiently useful.

We regret this very much, and assure you that nothing would gratify us more than to see circumstances change so as again allow us to co-operate actively with you in the process of funding.

We remain, very respectfully, yours,

AUGUST BELMONT & CO.

No. 493.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 12, 1878.

SHERMAN, *Washington:*

Remaining by request of Rothschild. Discussing matter. Will probably decide to-morrow. If they do nothing shall return with bonds as early as possible.

CONANT.

No. 494.

The Chase National Bank, New York, to Mr. Sherman.

CHASE NATIONAL BANK,
New York, March 12, 1878.

SIR: Your letter of the 8th instant, responding to my suggestion in regard to depositing coin with the banks, as an encouragement to resumption on their part, seems conclusive, nevertheless I feel that the question is so important that I again address you.

The funding business, which, apparently, is foremost in your mind, will have but little life until the three stripes of legal-tender currency (yellow, silver-grey, and green) are brought on a par with each other, nor will confidence be restored, and prosperity return until the people feel that resumption is not destruction.

When gold and silver are added to greenbacks as money, instead of perpetuating them as merchandise, there will be such an abundance of idle capital that the four per cent. bonds will pass out actively, and in large blocks, but so long as the present status of the three currencies

exists, and so long as resumption is a frightful ghost, no great progress will be made in disposing of the 4 per cents.

Besides, it is my conviction that resumption will checkmate any further action of Congress in the way of currency reforms, or deforms as viewed from opposite standpoints.

I again repeat that there is but little chance of your being called upon to assist the banks in the way or deposits, but they will not, and should not, proclaim a permanent resumption without some assurances that the coin in the Treasury can be made available, as I suggested in my letter of the 7th instant.

Time or the action of Congress may complicate matters so that redemption may be indefinitely postponed.

The coin in the Treasury has been accumulated for the purposes of resumption. I think the government should encourage the movement of the great moneyed interests of the country and thereby settle, at once, this question.

Very respectfully, yours, JOHN THOMPSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 495.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *March* 13, 1878.

Messrs. KUHN, LOEB & CO., *New York:*

GENTLEMEN: Referring to your letter of the 5th instant, I have to advise you that I will receive from you a bid for from $5,000,000 to $10,000,000 4½ per cent. bonds, but reserve the right to decline any offer made.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 496.

Mr. Sherman to Messrs. von Hoffmann & Co.

TREASURY DEPARTMENT, *March* 13, 1878.

Messrs. L. VON HOFFMANN & CO., *New York:*

GENTLEMEN: Referring to previous correspondence relative to the disposal of United States bonds, I have to say that I shall be pleased to receive from you a bid for from $5,000,000 to $10,000,000 4½ per cent. bonds, reserving the right to decline any offer made.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 497.

Messrs. Kuhn, Loeb & Co. to Mr Sherman.

[Telegram.]

NEW YORK, *March* 14, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We are prepared to submit a bid for ten millions or more four and one-halfs in accordance with your letter of yesterday. Will it be agreeable to you if we appear before you in person to-morrow, and will you then be prepared to accept or decline our bid?

KUHN, LOEB & CO.

No. 498.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

[Telegram.]

TREASURY DEPARTMENT, *March* 14, 1878.

KUHN, LOEB & CO., *New York:*

Can see you to-morrow, but not prepared then to decide upon acceptance. Why not send offer in writing?

JOHN SHERMAN, *Secretary.*

No. 499.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 14, 1878.

SHERMAN, *Washington:*

Contracting parties decide they will not continue agency. I shall sail March 27 with 4 per cent. bonds. CONANT.

No. 500.

Messrs. von Hoffmann & Co. to Mr. Sherman.

NEW YORK, *March* 14, 1878.

SIR: We have the honor to acknowledge receipt of your esteemed favor of the 13th instant, inviting from us a bid for $5,000,000 or $10,000,000 United States 4½ per cent. bonds.

In reply, we beg to inform you that we are ready to take the above bonds up to $10,000,000 at $100.15 and the accrued interest, *payable in coin*, however, with the understanding that you will not sell any more of the above issue until the first of May next.

Should you desire to sell a larger amount than $10,000,000, either

now or during the next month, we request you will inform us thereof, as we are ready to submit you our proposition.

Very respectfully, your obedient servants,

L. VON HOFFMANN & CO.

Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Washington, D. C.

No. 501.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
New York, March 14, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Mr. Schiff, of the firm of Kuhn, Loeb & Co., who visits Washington for the purpose of an interview with you on the subject of a negotiation for the balance of the 4½ per cent. bonds, has conferred with us on the matter, and we propose to co-operate with them.

Yours, very respectfully, HENRY F. VAIL, *President.*

No. 502.

American Exchange National Bank, New York, to Mr. Sherman.

THE AMERICAN EXCHANGE NATIONAL BANK,
New York, March 14, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Mr. Schiff, of the firm of Kuhn, Loeb & Co., visits Washington for an interview with you in relation to the unsold balance of the four and a half per cent. loan. He has conferred with us on the matter and we have assured him of our co-operation.

Very respectfully, your obedient servant,

GEO. S. COE, *President.*

No. 503.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, March* 14, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: The rumors on the street to-day that the department is willing to receive proposals for the 4½ per cent. bonds have caused a decline in them of about one-half per cent. They closed strong last evening on a steadily advancing market. If the department desires proposals for any other class of bonds than the 4 per cent. consols, we should be pleased to make an offer for them, but we beg to express as our view that a sale of 4½s now would be generally regarded as a confession that the sale of 4s is a failure, while the real condition of the market with the prospect of very easy money this summer, is extremely

favorable for large and continued sales of the 4s to meet the now daily increasing demand for United States bonds.

As the market is practically cleaned up of the floating 4s, we are now prepared to subscribe for a million (having sold that amount during the past week) with confidence of taking several millions more during the month if we can feel assured that no other issue is to be offered in competition.

I beg to append quotations showing the recent appreciation in bonds, evidencing the rapid absorption so that the public will soon be obliged to seek the 4 per cents for their investments.

Respectfully,

GEO. F. BAKER, *President.*

	February 25.	March 13.
1881s	105¼	106¼
1865s	103	104
1867s	105¼	106¼
10-40s	103¼	105
5s 1881	102⅜	104¼
4½s	101½ int. on	102¾
Gold	102	101

No. 504.

Mr. Lydecker to Mr. Sherman.

[Telegram.]

NEW YORK, *March* 14, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

The new silver dollar is tendered in payment of duties. As no official notice has been received, instructions are required as to receipt and deposit of the same.

J. K. LYDECKER,
Special Deputy Collector of Customs.

No. 505.

Mr. Sherman to Mr. Lydecker.

[Telegram.]

TREASURY DEPARTMENT, *March* 14, 1878.

J. K. LYDECKER,
Special Deputy Collector of Customs, New York:

Standard silver dollars will be received in payment for duties for any amount and treated in your accounts same as other coin received on account of duties.

JOHN SHERMAN, *Secretary.*

No. 506.

Circular letter to Independent Treasury Officers.

TREASURY DEPARTMENT, *March* 14, 1878.

SIR: A transfer will soon be made from the mint to your office of a small supply of standard silver dollars coined under the act of February 28, 1878.

These dollars are a legal tender for all debts and dues, public and private, except where otherwise expressly stipulated in the contract, and upon their receipt you will credit them as coin in your general account with the Treasurer of the United States, paying them out until otherwise advised only in exchange at par for gold coins, and will treat in like manner any further transfer of these coins which you may receive.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 507.

First National Bank, New York, and associates, and Messrs. Kuhn, Loeb & Co. and associates to Mr. Sherman.

WASHINGTON, D. C., *March* 15, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Agreeably to your invitation the undersigned will purchase from you five millions or ten millions of the 4½ per cent. loan of 1891 at par and three-quarters per cent. (100¾ per cent.) and the accrued interest to date, in coin, less a commission of one-half of one per cent. (½ per cent.)

This offer will remain in force for twenty-four hours, and is made upon the condition that no bonds bearing a higher rate of interest than four per cent. are to be sold by you during a period of forty-five days.

Very respectfully (for First National Bank of New York and their associates), F. O. FRENCH.

KUHN, LOEB & CO., *for themselves and associates.*

No. 508.

Mr. Sherman to Mr. Camp.

TREASURY DEPARTMENT, *March* 15, 1878.

Hon. JOHN H. CAMP, *House of Representatives:*

SIR: I have the honor to acknowledge the receipt of your letter of the 9th instant, asking to be informed what amount of coin was in the United States Treasury on the 3d and 9th of March, 1863; also, the amount of coin, if any, sold by the government from the 25th of September, 1877, including the premium; and in reply to inclose herewith copy of a report in the matter, dated 14th instant, from the Treasurer of the United States, to whom your letter had been referred.

Very respectfully, JOHN SHERMAN, *Secretary.*

[Inclosure to department's letter of March 15, 1878, to Mr. Camp.]

TREASURY OF THE UNITED STATES,
Washington, March 14, 1878.

SIR: I have the honor to acknowledge the receipt of the letter of the Hon. John H. Camp, M. C., dated March 9, 1878, addressed to you and referred to this office, in which information is desired as to the "amount of coin in the United States Treasury on the 3d and 9th of March, 1863," and, "also, the amount of coin, if any, sold by the government from the 25th day of September, 1877, including the premium."

In reply I have to state that the reports on file in this office show that the amount

of coin in the United States Treasury, including sub-treasuries, but not including mints and assay-offices, was as follows, viz:

On March 3, 1863	$839,247 21
On March 9, 1863	2,491,346 47

Also, that the books of this office show the amount of gold coin sold by the government from September 25, 1877, to March 9, 1878, both days included, to be $2,451,519.95, and the premium derived from such sales amounted to $63,817.74.

The letter is herewith returned as requested.

Very respectfully,

JAS. GILFILLAN,
Treasurer United States.

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 509.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *March* 16, 1878.

GENTLEMEN: I am in receipt of your favor of the 14th instant, advising me that Mr. Schiff, of your house, would call upon me for consultation relative to the sale of 4½ per cent. bonds. I have also received a proposition from yourselves and associates, and the First National Bank and associates, by the terms of which I am offered for $5,000,000 or $10,000,000 of the 4½ per cent. bonds, 100¾ per cent. and accrued interest in coin, less a commission of one-half per cent. I have considered this proposition, and feeling that I am not justified in selling on the terms submitted, respectfully decline the same.

Very respectfully, JOHN SHERMAN, *Secretary.*

KUHN, LOEB & CO., 31 *Nassau St., New York.*

No. 511.

Messrs. Belmont & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *March* 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

If newspaper reports be correct about your being disposed to negotiate for remaining four-halfs, we shall be pleased to hear from you on the subject by wire, and place our services and those of our friends at your disposal. AUGUST BELMONT & CO.

No. 512.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *March* 18, 1878.

AUGUST BELMONT & CO., *New York:*

I will not sell four-half at less than equivalent of fours at par.

JOHN SHERMAN, *Secretary.*

No. 513.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *March* 18, 1878.

To the Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your favor of the 16th instant, and note that you do not feel justified in selling 4½ per cent. bonds on the terms submitted by us, and that you decline our offer. A comparison of the present market value of the 4½ per cent. bonds both here and in London with the price bid by us must convince you that we did not make our bid with a view to immediate profit. With a desire on the part of the national banks associated with us in our proposal to assist you in preparing for resumption, we made the offer to take ten millions of the 4½ per cent. bonds at a price nearly equal to the market value of the bonds, under the supposition that, having become convinced of the impossibility to draw larger amounts of gold to the Treasury for resumption purposes by the sale of 4 per cent. bonds, you had resolved to issue part of the undisposed of balance of the 4½ per cent. loan, and that for such reasons you had invited proposals.

It appears, however, we were mistaken, and notwithstanding the shortness of the time left for preparations to resume, you desire to continue your efforts for the placing of the 4 per cent. loan, though it must have become apparent to you, as it has become to every business man, that the sales of 4 per cent. bonds will not be sufficiently large to materially increase the stock of specie in the United States Treasury.

If no gold should be exported, the stock of specie now in the country (which will be increased by the production of our gold mines and by the coinage of silver about sixty millions between now and the end of the year) would become sufficiently large to make specie-resumption certain on the 1st of January next. There can, however, be no doubt that we will shortly commence to export gold and continue to do so during the entire summer to an extent which nobody can foretell, but this export will possibly and probably so reduce our stock of specie that resumption may become next to impossible. You, however, have it in your power to greatly curtail the export of gold and thus to make resumption certain.

At present gold has, in this country, no interest-producing capacity, and it will naturally go where it can earn something. This is the reason why exchange is advancing, and why our specie will soon begin to leave the country. Give gold the capacity to earn interest here and it will not be exported; but this can only be done by drawing it into the Treasury, the only institution in the country which at present has any use for specie, viz: for resumption purposes.

The specie in the New York banks now amounts to forty million dollars, of which at least twenty-five millions are dead weights, and these you should endeavor to draw into the Treasury's control; if you cannot succeed in doing it by the sales of 4 per cent. bonds, you should sell 4½s, and even 5s if 4½s cannot be sold. Only give gold an interest-earning capacity, and it will remain in the country. For paying our indebtedness abroad during the summer bankers will consider it a good transaction to use their credits, which they know can be profitably covered during the fall and winter season by exchange made against our exports of produce; but such credits cannot be used unless gold gets an interest-earning capacity. It is during this transitory period you have

to guard the stock of gold in the country; when we have once actually resumed and gold can perform its money functions again, then it will stay by itself.

The resumption act gives you great powers, and you should not lose your opportunity to use them; if you continue your efforts to place 4 per cents and do not succeed, which we fear you will not, the responsibility of a failure of specie resumption on January 1, 1879, will fall upon you and upon the administration which has delegated to you the execution of its financial policy. This is no time for experiments, but for action. Demonstrate only to the country that you mean to use all the means in your power to secure resumption, and resumption will at once become a *fait accompli*.

Very respectfully, KUHN, LOEB & CO.

No. 514.

Mr. McCulloch to Mr. Sherman.

94 BROADWAY, NEW YORK, *March* 18, 1878.

DEAR SIR: Jay Cooke, McCulloch & Co., in their prospectus for the issue of $75,000,000 United States 5 per cent. funded loan in 1871, stated that the principal and interest of the bonds were payable in gold coin, and the Assistant Secretary of the Treasury, Mr. Richardson, certified under the seal of the department that they (Jay Cooke, McCulloch & Co,) were authorized to offer the bonds to the public on the terms of the prospectus.

Purchasers of the bonds in England now claim that the approval of the prospectus by the Treasury Department was in fact an agreement binding upon the government that these bonds should be paid in gold; such an agreement as takes the bonds out of the operations of the silver bill. They want me to advise them what your opinion is upon the question. Can you oblige them and me by giving it?

Very truly and respectfully, yours,

HUGH McCULLOCH.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 515.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *March* 19, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Induced by the newspaper reports of your willingness to negotiate for the sale of the remaining hundred millions 4½ per cent. bonds, we took the liberty to telegraph to you yesterday that we should be pleased to hear from you on the subject, placing at the same time our services and those of our friends at your disposal.

We received in reply your dispatch saying that you will not sell the 4½s except at a price corresponding to par for the 4 per cent. bonds, for which we are much obliged to you. We regret that in the present condition of the market it is not in our power to make any proposition

to meet your views. Should you at any time decide to modify these latter as regards the price for the 4½s, we shall be pleased to hear from you, and hold our services and those of our friends always at your disposal.

We remain, very respectfully, yours,

AUG. BELMONT, & CO.

No. 516.

Mr. Sherman to Mr. McCulloch.

TREASURY DEPARTMENT, *March* 20, 1878.

Hon. HUGH MCCULLOCH, *New York:*

SIR: Your letter of the 18th instant is received, in which you ask my opinion as to the question said to be raised by English bondholders upon the coin in which the bonds must be paid, principal and interest.

I doubt if the right of the government to pay the bonds issued under the refunding act in the coin in legal existence at the date of the act can be questioned or defeated, and I do not advise such a question to be raised for decision by the courts. It can hardly be claimed that the prospectus of the agent or the action of the department, can extend the liability of the government in the least degree beyond the terms provided by the law. As in several cases, the department may give a construction, and in this way hold out an expectation that this construction will be adopted, but after all, the law fixes the terms of the bonds, and not the department or its agents.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 517.

Mr. Glover to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON EXPENDITURES IN TREASURY DEPARTMENT,
Washington, D. C. March 21, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: Referring to your letter of the 7th instant, and to mine of the 5th, which yours of the 7th acknowledges, I have to state that application has been made to the chairman of the Committee of Ways and Means for the copy of the contract for the sale of 4 per cent. bonds, dated June 9, 1877, but that said copy appears to have been mislaid.

I will therefore avail myself of the offer contained in the postscript to your letter, and ask you to furnish this committee another copy of said contract; and will also ask that copies of all contracts or agreements made by the Secretary of the Treasury or by the government for the sale of any bonds, since January 1, 1870, be furnished to this committee at your earliest convenience.

This letter is designed to call for all the information in the possession of the department, as to the terms on which bonds of the United States have been sold since the date named.

Respectfully, J. M. GLOVER, *Chairman.*

No. 518.

Mr. Fahnestock to Mr. Sherman.

NEW YORK, *March* 21, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Referring to our conversation and to your desire to avoid any diminution in your coin resources I have, since my return yesterday, carefully looked over the government bond market and find all the indications confirm Mr. Baker's letter of the 14th. Four per cents, for the first time since the issue last year, are in fair demand at practically Treasury rate, with substantially all the floating bonds taken up.

The large European offerings of bonds seems to have come to an end. We are buying very few from London, and it is fair to expect an improving market there and on the continent.

We are now on the eve of the large spring investment movement, which returns as regularly as the tide, and unless circumstances should cause Europe to resume selling, a very large demand must be supplied, and it can be met only by your 4 per cents; and we believe you will realize much larger money results by furnishing them as they will go than you possibly can do by now changing the character of the security.

If for any reason the 4s should, later on, prove inadequate to your wants and it should become *necessary* to abandon them for 4½s or 5s, you will bear in mind that all the successful issues of the several funding loans, here and abroad, have been made only in the summer, when the tendency of the money markets is such as to promote the sales.

In speaking of the 4½s I omitted to remind you that their sale at or near par would inevitably drive the 4s to a discount, and thus embarrass the banks because of the limitation of circulating notes (Sec. 5171, Revised Statutes) to 90 per cent. of *market value* of the securities. It would confess the failure of the 4s and make their further sale impossible; and, as Europe has 4½s to sell in competition, a large issue of the latter could be made only close to the original subscription price.

In view of these considerations and the fact that called bonds are still outstanding to an amount exceeding the deficiency you have in mind, we feel sure it will pay you to wait for sales of 4s, which we believe will be sufficient to meet your wants.

We are exceedingly anxious to further the sales of your bonds, and what I write is wholly in the interest of the department, but you will please understand that whenever you decide that a change in the character of the bond is *necessary* we shall be ready to give you our best services in placing another loan. But as the market is to-day you cannot sell a large block of 4½s or 5s unless you are prepared to pay *more than four per cent. interest.*

Respectfully and very truly yours,

H. C. FAHNESTOCK.

We shall be glad to hear whether, upon reflection, you do not decide it best to await the markets as suggested.

No. 519.

Mr. Hawley to the National Bank of Texas, Galveston.

TREASURY DEPARTMENT, *March* 21, 1878.

CASHIER NATIONAL BANK OF TEXAS,
Galveston, Texas:

SIR: Your letter of the 15th instant, inquiring what amount of United States bonds is necessary for you to deposit to make your bank a depositary to receive deposits on account of subscriptions to the four per cent. loan of the United States, has been received.

In reply I have to inform you that no security bonds are required to be furnished before designation of your bank for the purpose mentioned.

Under the provisions of the third paragraph of the circular of January 21, 1878, copy inclosed, the bonds subscribed for will be held by the department as security until other United States bonds of an equal amount are substituted in their stead, or the coin deposited in the bank has been paid upon Treasury drafts or transferred to a sub-treasury office.

If you desire your bank to be designated for this purpose and will so inform this office, such designation will be made and the necessary books and blanks furnished you.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 520.

Mr. Sherman to Mr. Fahnestock.

TREASURY DEPARTMENT,
Washington, March 22, 1878.

DEAR SIR: Your letter of yesterday is received.

The argument in favor of the four per cent. bonds is well stated. The only hesitation I have, for the matter is not yet decided, is that I desire to cover the balance of the last call, and, if possible, to have about the 1st of April $5,000,000 coin or bullion for resumption purposes. If I could accomplish the sale of $10,000,000 bonds at about the par of 4 per cent. bonds, I would not fear for the future. I hesitate to advertise for loans lest the bids will not be high enough to justify me in selling, and a failure to sell now would be injurious. The banks and other interests opposed to the four per cent. loan would seek to force the 4½ per cents so low as to displace the four per cents in the market. Could not you and your associates bid about 103 for 4½s even if it be but $5,000,000, and if you could assure me of that kind of a bid I would then feel safe in making the public advertisements for $5,000,000 or more, and, if the bids were satisfactory, would accept $10,000,000.

I do not know whether or not this is feasible, but I will not definitely determine as to the offer of the 4½s until I hear from you in reply. My purpose was not to sell the 4½s in large masses, but only to keep them as an actual reserve in aid of resumption relying upon the four per cents, if possible, to make good the $5,000,000 a month, and also to refund the excess, if any.

Please answer immediately, and, if in the affirmative, you might telegraph me the rate you will bid.

Very truly yours, JOHN SHERMAN, *Secretary.*

H. C. FAHNESTOCK, Esq., *New York.*

No. 521.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, March 23, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: I have received your letter of 22d, and am at a loss to know how you can think it possible to obtain now anything like 103 for 4½ per cents. My assertion (which I now repeat) that they would not bring much above par was based upon the actual present condition of the markets here and in Europe.

To-day 4½s are selling here at 102¾ *currency*, and in London at the equivalent of 102½ currency. The New York price reduced to gold is 101¼ and interest, gold, and at this price the bonds are in such good supply that we would undertake to fill an order for 2½ millions at not above 101½ and interest gold, or an order for one million at 101¼ and interest gold.

The existing price is based upon the assumption that the 4½ loan is absolutely closed, and *any* offering by the government would bring out, as I said, only bids down near to par.

The offering of a small amount would produce this decline as well as a large one, as it would be inferred that more bonds would follow, and you may depend that it would be fatal to the 4s, and should not be resorted to unless you are prepared to abandon the latter until after the entire 100 millions 4½s shall have been sold.

One other thing I wish to impress strongly upon you. That is, the sale of bonds is a question wholly of investment capacity, and you cannot sell bonds at all when they are not wanted, and to sell at satisfactory prices you must offer them only when they are wanted. For this reason, if you decide you must sell 4½s, abandoning the 4s, you should for your own credit offer them at the most favorable time—that is, later in the season—as in this way you will sell *a larger aggregate* and realize better prices than if you attempt to force them upon an unwilling market.

* * * * * * *

It is quite certain that you can sell a large amount of bonds—I should say 50 millions—in the next four months, provided they are offered only with due reference to the conditions of the market. I believe that your 4s will supply your wants if you exercise a little patience. But if they should not, a delay of one month will be time *saved* and not lost, as May 1 will be infinitely better than April 1 for the new departure.

One other point before closing. I think it very important to remember that when you offer 4½s you must compete with the existing 200 millions of these bonds held here and in Europe. But Europe holds no 4 per cents, and substantially all held in the United States are lodged at Washington by banks, and thus cannot compete with new issues.

All our successes in the issue of 5s and 4½s were made by selecting the favorable moment and *preparing the market* in advance by purchases. If both these precautions be omitted you will certainly be disappointed in the results attained.

Let me repeat that our best services are always at your command, and whenever you desire to confer personally about the loan I will go to Washington to see you. And meanwhile kindly let me hear how you are impressed by what is written above.

If you decide absolutely not to issue 4½s we will undertake to advance their price and thus facilitate the sale of 4s.

Respectfully, and very truly, yours,

H. C. FAHNESTOCK, *V. P.*

No. 522.

Mr. Sherman to Mr. Fahnestock.

TREASURY DEPARTMENT,
Washington, March 25, 1878.

DEAR SIR: Your letter of the 23d is received, and its contents carefully considered.

I am disposed to yield to your opinion as to the impolicy of offering the 4½ per cent. bonds. I must keep always in view the absolute necessity of accumulating coin or bullion from this time forth until the day of resumption, but next to this I have at heart the success of the four per cent. bonds, and as long as they offer a prospect of supplying my wants, I will stick to them. I have shown your letter to the President and he concurs with me in opinion, and, therefore, I am willing to say that I will not consider the question of the sale of the 4½ per cent. bonds until I am convinced that the fours will not enable me to execute the policy of resumption, which you know I have so much at heart.

I trust, therefore, to your promise that efforts will be made to push the four per cent. bonds, and I will do here everything that is possible to that end.

What do you think of the advance of exchange, and the drift of gold elsewhere?

Very truly yours,

JOHN SHERMAN.

H. C. FAHNESTOCK, Esq.

No. 523.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK,
New York, March 27, 1878.

DEAR SIR: We are much gratified to learn from your letter of 25th that you have decided not to offer any other bond in competition with the 4 per cents. The tendency of the markets never was better than it now is. We have good demand for all United States bonds, and have retailed in the past week about $750,000 4s.

To clean up the market we bought yesterday of Drexel, Morgan & Co. $200,000 4s, being the last of their lot, and a few days earlier we took from Belmont $250,000, all they would sell us, nearly closing out their lot. We now have the price up to Treasury rate. Four and a halfs are better by ⅜ per cent. than when I last wrote you, and we have every prospect of a decided advance which will make the 4s go freely.

It will interest you to look at the order we send to-day to the loan division for registered 4s—buyers from Maine to Louisiana.

Sterling is at the shipping point only a few weeks earlier than last

year, and this is due to the larger importations of bonds and to purchases of silver abroad, and the stoppage of silver shipments to Europe.

But our general exports are so heavy, and the supply of gold so much larger than last year, that, with diminished bond shipments this way, we look for a shipment of gold to Europe of not more than 10 to 15 millions at the outside, and perhaps much less. This we can readily spare without materially disturbing the premium, and its effect in London will more than offset any slight damage done here, as it will make money still easier there, and advance the price of bonds and stop their movement this way.

As soon as we work off these recent purchases, we shall take from you a further amount of fours.

Yours, very truly, H. C. FAHNESTOCK.

Hon. JOHN SHERMAN, *Secretary, &c., &c.*

No. 524.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 28, 1878.

SHERMAN, *Washington:*

Conant's party sailed to-day by steamer City of Richmond.

CONANT.

No. 525.

Mr. Sherman to the City National Bank, Griffin, Ga.

TREASURY DEPARTMENT, *March* 28, 1878.

CASHIER CITY NATIONAL BANK, *Griffin, Ga.:*

SIR: In reply to your letter of the 26th instant, in which you make certain inquiries concerning silver dollars and subscriptions to the 4 per cent. consols of 1907, I have to inform you that—

1. Standard silver dollars of the United States will be received the same as gold coin in payment for subscriptions to the loan.

2. The new silver dollars are not being paid out in exchange for Treasury notes. At present they are only paid out in exchange for like amount of gold, or in payment for silver bullion.

3. The bonds bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and no interest, therefore, should be charged on subscriptions received by your bank April 1; but five days' accrued interest should be charged on subscriptions received April 6.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 526.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *April* 5, 1878.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: It is my purpose to be in New York at four o'clock on Monday afternoon, and I would like, if practicable, to meet the members of the old syndicate at the Fifth Avenue Hotel that evening at any hour convenient for them, to confer as to the best mode of obtaining $50,000,000 gold coin or bullion prior to January 1, 1879, for resumption purposes, and to receive from the associates, or any of them, or from new parties, offers for any of the description of bonds I am authorized to sell for that purpose.

I propose to accumulate this coin in either the Treasury, the assay offices, or the public depositaries throughout the United States that will comply with the conditions of section 5153 Revised Statutes.

I will send a similar letter to this to the First National Bank, and have to request that you will give notice to the other members of the old syndicate, and, with their consent, to any others you desire to participate in the interview.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 527.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *April* 5, 1878.

Gen. THOMAS HILLHOUSE,

Assistant Treasurer United States, New York:

SIR: You will please inform Messrs. H. F. Vail, president National Bank of Commerce; J. D. Vermilye, president Merchants' National Bank; George S. Coe, president American Exchange National Bank; B. B. Sherman, Mechanics' National Bank; and James Buell, president Importers and Traders' National Bank, that I desire an interview with them at any hour on Tuesday next at your office, or at such other place as they may prefer, in respect to the purchase for the Treasury for resumption of, say, $50,000,000 gold coin or bullion, to be delivered monthly and before the 1st of January next, either at your office or at the designated depositaries of the United States, under section 5153 Revised Statutes, and also, if practicable, to secure from them a bid for either of the three classes of bonds described in the refunding act to an amount sufficient to purchase the coin stated. These gentlemen are respectfully requested to select such others connected with national banks as they may agree upon to join in the interview.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 528.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *April* 5, 1878.

H. C. FAHNESTOCK, Esq., *First National Bank, New York:*

SIR: It is my purpose to be in New York at four o'clock on Monday afternoon, and I would like, if practicable, to meet the members of the

old syndicate at the Fifth Avenue Hotel that evening at any hour convenient for them, to confer as to the best mode of obtaining $50,000,000 gold coin, or bullion, prior to January 1, 1879, for resumption purposes, and to receive from the associates, or any of them, or from new parties, offers for any of the description of bonds I am authorized to sell for that purpose. I propose to accumulate this coin in either the Treasury, the assay offices, or the public depositaries throughout the United States that will comply with the conditions of section 5153 Revised Statutes.

I have to-day sent a letter similar to this to Messrs. August Belmont & Co., and requested them to notify the other members of the old syndicate, and to invite such other persons to participate in the interview as the associates may desire.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 529.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *April* 5, 1878.

To the Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are prepared to make a very large subscription to the 4 per cent. loan if you will agree to leave the proceeds of the bonds so subscribed for on deposit until December 31st in the national banks against the usual security to the government.

As you doubtless desire to hoard coin for resumption purposes, our proposition will, we trust, be satisfactory to you, and we would thank you for an immediate reply.

Very respectfully, KUHN, LOEB & CO.

No. 530.

Assistant Treasurer United States, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 6, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Your letter of yesterday received. Can I state or read contents to parties named therein? THOS. HILLHOUSE,
Assistant Treasurer United States.

No. 531.

Mr. Sherman to Assistant Treasurer United States, New York.

[Telegram.]

TREASURY DEPARTMENT,
Washington, April 6, 1878.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

You can read contents to parties named, but give no copy at present.

JOHN SHERMAN, *Secretary.*

No. 532.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *April* 6, 1878.

Messrs. KUHN, LOEB & CO., 31 *Nassua Street, New York:*

GENTLEMEN: Your letter of the 5th instant, advising me that you are prepared to make a very large subscription to the 4 per cent. loan upon certain terms, has been received.

In reply I have to state that I shall be at the Fifth Avenue Hotel, in New York, early next week, and shall be glad to confer with yourselves and associates on this subject. A letter addressed to me on Monday at the above-mentioned hotel will reach me.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 533.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES
ASSISTANT TREASURER,
New York, April 7, 1878.

DEAR SIR: I have seen all the gentlemen mentioned in your letter of yesterday (except Mr. Buell, who will be notified), and have just telegraphed: "Meeting arranged for Tuesday at one o'clock p. m." I suggested my office as the place, but the Bank of Commerce was preferred, as less likely to attract public attention. Judging from the expressions of the gentlemen with whom I conversed, I think they are disposed to give their cordial co-operation in carrying out the important measures you have in contemplation.

Very respectfully, yours, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 534.

Memorandum of interview, Monday, April 8, 1878, *at* 5 *p. m., at the Fifth Avenue Hotel, New York, between Hon. John Sherman, Secretary of the Treasury, and the members of the old syndicate, Messrs. Belmont, Seligman, Bliss, Fabri, and Fahnestock.*

There were also present with the Secretary, Hon. Charles Devens, Attorney-General; John Jay Knox, Comptroller of the Currency; Hon. Charles F. Conant, Daniel Baker, and E. J. Babcock.

The Secretary stated that the object of his visit to New York, and of his request for an interview with the associates, was to obtain $50,000,000 coin for resumption purposes, and he would like to sell four per cent. bonds to that amount.

Mr. Belmont did not think the four per cent. bonds could be sold at present, and the associates all concurred in the opinion that they would prefer making a proposition for the 4½s, although they were not pre-

pared to make any definite offer. The Secretary said he would like to get 103 for the 4½s, but the associates said they could not consider that at all; they would communicate with the Rothschilds and others and might possibly be able to offer 101; they would come to some conclusion by the next day.

The meeting adjourned to Wednesday at 4 o'clock.

Memorandum of an interview, Tuesday, April 9, 1878, at 1 p. m., at the National Bank of Commerce, between Hon. John Sherman, Secretary of the Treasury, and the presidents of the national banks—Mr. Vail, Commerce; Mr. Vermilye, Merchants'; Mr. Coe, Merchants' Exchange; Mr. Sherman, Mechanics'; Mr. Buell, Importers' and Traders'; Mr. Moses Taylor, City; Mr. F. D. Tappen, Gallatin; Mr. G. G. Williams, Chemical; Mr. F. A. Palmer, Broadway; Mr. George I. Seney, Metropolitan; Mr. P. C. Calhoun, Fourth National.

The Secretary was accompanied by Hon. Charles Devens, Attorney-General; Hon. John Jay Knox, Comptroller of the Currency; Gen. Thomas Hillhouse, assistant treasurer; Daniel Baker, and E. J. Babcock.

Mr. Vail said that this meeting was called at the request of the Secretary of the Treasury; that the gentlemen present had no information as to the object of the meeting and had no opportunity for consultation; that the Secretary would explain more fully what he desired.

The Secretary said that he proposed to resume specie payments on the 1st of January next in accordance with law, and that for this purpose he wished to get $50,000,000 coin, and to accumulate this amount would, if possible, sell four per cent. bonds.

Mr. Vermilye and Mr. Coe spoke at some length to the effect that they were in full accord with the Secretary on the subject of resuming specie payments, and were willing to co-operate in any way to bring it about. They said that although they had not consulted with the other gentlemen present, they had no doubt they were all agreed upon this subject. They thought, however, it would be utterly useless to attempt to sell four per cent. bonds, and that as far as such bonds were concerned there need be no more said.

The Secretary said this being so, he would like to have some proposition for 4½s.

Mr. Coe said that no definite proposition could be made without further consultation among themselves; that they were willing to assist to the extent of their power to obtain resumption; that they would place themselves at the service of the Secretary in any way he might wish without compensation. He said that he thought an arrangement could be made by which the national banks could be made the Secretary's agents in the sale of bonds. He thought the banks might take the $50,000,000 4½ per cent. bonds, to be paid for by the 1st of January, the government to receive whatever the banks could get for the bonds.

The Secretary invited the gentlemen to confer among themselves, and, if practicable, make him some definite proposition in the morning.

The meeting adjourned until 11 o'clock Wednesday, April 10.

Memorandum of interview, Tuesday, April 9, at 4 o'clock, at the Fifth Avenue Hotel, between Hon. John Sherman, Secretary of the Treasury, and the members of the old syndicate.

The Secretary was accompanied by Hon. Charles Devens, Attorney-General, Daniel Baker, and E. J. Babcock.

Mr. Belmont read a cable from the Rothschilds offering 101 for $100,000,000 4½ per cent. bonds, $50,000,000 for resumption and $50,000,000 for refunding purposes.

The Secretary said he was not prepared to accept, but would give a definite answer the next day.

Adjourned to meet Wednesday, at 12 o'clock, at the sub-treasury.

WEDNESDAY, *April* 10.

The Secretary met Mr. Vail, of the National Bank of Commerce, and Mr. Vermilye, of the Merchants' National Bank, at 11 o'clock, at the sub-treasury.

Mr. Vail and Mr. Vermilye submitted a memorandum that if the Secretary would indicate his willingness to receive a proposition for the negotiation of $50,000,000 4½ per cent. bonds at par in gold, they would recommend the national banks to unite in making it.

Proposition inclosed, marked "A."

The Secretary then asked Mr. Vail and Mr. Vermilye whether, if a proposition was made to him by bankers of acknowledged credit and responsibility of 101 for 4½ per cent. bonds payable in installments and with the usual option, in their opinion it was his duty to accept it.

They both said decidedly yes; that such an arrangement would be far more advantageous than the acceptance of their proposition, as, if they took the bonds, it might impair to some extent their power to render the usual facilities to their commercial customers.

WEDNESDAY, *April* 10.

The Secretary met the members of the old syndicate at the sub-treasury at 12 o'clock.

There were present with the Secretary, Gen. Thomas Hillhouse, assistant treasurer, Hon. Charles F. Conant, Daniel Baker, and E. J. Babcock.

The Secretary said he would sell only $50,000,000 4½ per cent. bonds; that these must be paid for in gold coin for resumption purposes; that he would sell them for 101½, allowing one-half of one per cent. commission, the syndicate to pay all expenses, but before signing the contract wished to communicate with the President.

These terms were accepted by the syndicate upon condition that their associates in London would consent, they reserving the right to cable to London for such consent; and the meeting adjourned until 1.30 o'clock, when, the Secretary having received a telegram from the President, the details of the contract were then discussed, and signature was delayed for an answer to the cable of the syndicate.

APRIL 11.

At 12 o'clock the parties met at the sub-treasury, and Mr. Lucke, of Belmont & Co., informed the Secretary that the English parties had authorized them to close the contract, and it was executed.

A.—PROPOSITION SUBMITTED APRIL 10, 1878, BY MESSRS. VAIL AND VERMILYE, IN BEHALF OF NATIONAL BANKS.

If the Secretary of the Treasury will intimate his willingness to receive a proposition from the national banks in New York, Boston, Philadelphia, and Baltimore for the negotiation of fifty millions 4½ per cent. bonds at par in gold, for resumption purposes, we will recommend our associates to unite in making it, with the belief on our part that it can be accomplished as suggested. This special loan to be the only bonds of this character offered, unless the same parties have the option of any further sums required.

No. 535.

Mr. Sherman to the President.

NEW YORK, *April* 9, 1878.

DEAR MR. PRESIDENT: General Devens and I have conferred with a committee of presidents of the national banks, and also twice with the members of the old syndicate.

We have presented as strongly as we knew how the 4 per cent. bonds, and have offered them on favorable conditions as to mode of payment, but all the parties decline to entertain a proposition as to the 4 per cent. bonds. The silver bill, the uncertainty of the money market here and in Europe, they insist, put out of the question the sale of these bonds in sums sufficient to answer our purposes. We were met by the bank presidents with what I considered rather a chilly reception. They would make no definite offer for even 4½ per cent bonds, and their chief spokesman had but little to say except in opposition to the silver bill. I urged them to make an offer for the 4½ per cent. bonds and to co-operate with the Treasury in measures for resumption, but they said they could not do so without consultation with the Philadelphia and Boston banks and with their several boards of directors, nor would they give us any encouragement for any offer higher than par, with a stipulation that the coin should be deposited temporarily with them.

After consulting with Rothschild, Belmont has now made us a definite proposition of 101 for $100,000,000 4½ per cent. bonds. This, if accepted, places resumption beyond peradventure, and will provide $50,000,000 for refunding purposes. Although this is below what I regarded as the minimum rate when I conversed with you, and is somewhat below actual quotations for these bonds in the market, yet, considering the uncertainties of the future, I am strongly tempted to accept their offer.

Gen. Devens has been present at all the consultations and interviews, and is fully advised of my views.

I should like instructions by 11.30 to-morrow, as I have agreed to give a definite answer by twelve o'clock.

I could, perhaps, prolong the negotiations, but will act promptly upon hearing from you. My inclination was to invite proposals by public advertisement, as we conferred about, but the great fear is that such proposals may not bring as favorable an offer as we now have, especially for such large sums, and may lead to the withdrawal of the offer.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 536.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *April* 10, 1878.

Hon. JOHN SHERMAN,
Secretary of the United States Treasury, Present:

SIR: Having now fully conferred with our friends, we beg to submit to you the following proposition, viz:

We will subscribe for equal amounts of the 4 per cents. and of the 4½ per cents., and for an amount sufficient to cover the sum required by you for resumption purposes, say for a total of fifty millions bonds.

The subscription made to be paid for now, but the proceeds of the same to be deposited by you with certain national banks in this city, which deposits are to be returned to the Treasury as follows, viz:

Twenty-five per cent. on November 30th, a. c.; twenty-five per cent. on December 15th, a. c.; fifty per cent. on December 31st, a. c.

No other 4½ per cent. bonds to be sold by the Treasury during this year, but this subscription not to interfere with the popular subscriptions to the 4 per cent. loan now going on at the Treasury Department.

While we would request you to consider this proposition as informal, we feel satisfied, if you will indicate to us your readiness to act upon the same, that we can within a few days make a definite proposition as above.

We think we will be able to harmonize in our syndicate all interests, and we feel confident we can induce the leading national banks to join us in our subscription.

Hoping to hear from you at your earliest convenience, we remain, honorable sir,

Yours, very respectfully, KUHN, LOEB & CO.

No. 537.

Mr. Sherman to the President.

[Telegram.]

NEW YORK, *April* 10, 1878.

The PRESIDENT, *Washington, D. C.:*

Ultimatum one hundred one and half less one half of one per cent. commission for fifty millions; they to pay expenses of loan. Shall I accept? Answer immediately, care General Hillhouse, assistant treasurer.

JOHN SHERMAN, *Secretary.*

No. 538.

The President to Mr. Sherman.

[Telegram.]

EXECUTIVE MANSION, *April* 10, 1878.

The SECRETARY OF THE TREASURY,
(Care Gen. Thos. Hillhouse, New York City):

You are authorized to act according to your judgment of the public interest on proposition described in letter of yesterday. My inclination is favorable to acceptance. R. B. HAYES.

No. 539.

The President to Mr. Sherman.

[Telegram.]

EXECUTIVE MANSION, *April* 10, 1878.

Hon. JOHN SHERMAN,
(Care General Hillhouse, Assistant Treasurer, New York City):

I dispatched you this morning authority to act according to your views of the public interest. My impressions are favorable to acceptance.

R. B. HAYES.

No. 540.

Contract of April 11, 1878.

This agreement, entered into this eleventh day of April, 1878, between the Secretary of the Treasury of the United States, of the first part, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates, and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., of London, and themselves; Messrs. J. & W. Seligman & Co., of New York, on behalf of Messrs. Seligman Brothers, of London, and themselves; Messrs. Morton, Bliss & Co., of New York, on behalf of Messrs. Morton, Rose & Co., of London, and themselves; and the First National Bank of the city of New York, witnesseth:

That the said Messrs. August Belmont & Co., on behalf of Messrs N. M. Rothschild & Sons and associates and themselves, hereby agree to purchase from the Secretary of the Treasury $4,125,000 of the four and one-half per cent. bonds of the United States issued under the acts of July 14, 1870, January 20, 1871, and January 14, 1875; and that Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co. and themselves, agree to purchase $1,625,000 of said bonds; and that Messrs. J. & W. Seligman & Co., on behalf of Messrs. Seligman Brothers and themselves, agree to purchase $1,625,000 of said bonds; and that Messrs. Morton, Bliss & Co., on behalf of Messrs. Morton, Rose & Co. and themselves, agree to purchase $1,625,000 of said bonds; and that the First National Bank of the city of New York agree to purchase $1,000,000 of said bonds, making a total aggregate of $10,000,000 of said bonds, on the terms and conditions following:

First. The bonds covered by this contract shall be sold for resumption purposes.

Second. The parties of the second part shall have the exclusive right to subscribe in the same proportion to each of the subscribers for the remainder of the fifty million dollars four and one-half per cent. bonds of the United States authorized to be issued by the acts of Congress aforesaid; but the amount to be so subscribed shall not be less than five million dollars for each and every month after the present month of April.

Third. That the Secretary of the Treasury shall not sell, during the continuance of this contract, any bonds other than such as by act of Congress may be provided to be sold for the payment of the Halifax or Geneva awards, and the four per cent. consols of the United States, and

those only for refunding purposes, except by mutual agreement of the parties hereto.

Fourth. The parties of the second part agree to pay for said four and one-half per cent. bonds par and one and one-half per cent. premium, and interest accrued to the date of application for delivery of said bonds in gold coin, or matured United States gold coin coupons, or any of the six per cent. five-twenty bonds heretofore called for redemption, or in the United States gold certificates of deposit issued under the act of March 3, 1863, or in gold coin certificates of deposit of authorized designated depositaries that have complied with the law.

Fifth. The parties of the second part shall receive in gold coin a commission of one-half of one per cent. on all bonds taken by them under this contract, as allowed by the act of July 14, 1870, and shall assume and defray all expenses which may be incurred in sending bonds to London or elsewhere upon their request, or by transmitting bonds, coupons, or coin to the Treasury Department at Washington, including all cost of making the exchange of bonds, and shall also be charged with the cost of the preparation and issuing of the bonds.

Sixth. No bonds shall be delivered to the parties of the second part, or either of them, until payment shall have been made in full therefor in accordance with the terms of this contract.

JOHN SHERMAN,
Secretary of the Treasury.

AUG. BELMONT & CO.,
On behalf of N. M. ROTHSCHILD & SONS *and associates and themselves.*

DREXEL, MORGAN & CO.,
On behalf of J. S. MORGAN & CO., *of London, and themselves.*

J. & W. SELIGMAN & CO.,
On behalf of SELIGMAN BROTHERS, *London, and themselves.*

MORTON, BLISS & CO.,
On behalf of MORTON, ROSE & CO., *of London, and themselves.*

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,
By GEO. F. BAKER, *President.*

Witnesses as to all:
THOS. HILLHOUSE, *Assistant Treasurer of the United States.*
E. J. BABCOCK.

No. 541.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *April* 12, 1878.

Hon. JOHN SHERMAN,
Secretary United States Treasury, Washington, D. C.:

SIR: Mr. Baker has delivered us your favor of this date, in reply to our offer to subscribe for from two to five millions of the four per cents, but it appears the terms upon which our offer is made are not fully understood. We have fully explained ourselves to Mr. Baker, who now understands our proposition, which we hereby beg to recapitulate.

We will subscribe for $2,000,000 of the four per cents (to be issued under the funding act) at par and accrued interest to date, less a commission of ¼ per cent., we to pay for the printing of the bonds, such expense not to exceed ⅛ per cent. The bonds to be paid for within ninety days at the New York sub-treasury, and we to have the privilege to increase our subscription to five millions during the next thirty days.

The condition is, however, connected with our proposition that you will deposit from the resumption fund, with a national bank of this city (to be designated as a depositary for such purpose), an amount of gold equal to the amount of our subscription, such deposit not to be withdrawn before December 31, a. c., and the required amount of security in government bonds to be lodged with the New York sub-treasury.

We think if you will accept our proposition, the announcement that such an amount of four per cents has been subscribed for, immediately following your negotiation, for resumption purposes, will stimulate anew the demand for the four per cents, which necessarily will suffer so long as the syndicate is in the market with four-and-a-half per cents.

Very respectfully, KUHN, LOEB & CO.

No. 542.

Messrs. Rothschild & Sons to Mr. Sherman.

[Cable message.]

APRIL 12, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington D. C.:

Very pleased we have entered into relations again with American Government. Shall do our best to make the business successful.

ROTHSCHILDS.

No. 542½.

Mr. Belmont to Mr Sherman.

NEW YORK, *April* 13, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: Since I had the pleasure of seeing you I have conferred with the different members of the syndicate with regard to the offer made to you for four per cent. bonds, and they agree with me that its acceptance would jeopardize the successful placing of the four-and-a-half per cent. bonds just contracted for by us.

To allow these parties the facilities asked for by them would give them the control of the gold-loan market to a large extent, and enable them to offer the bonds at such terms as to seriously interfere with the operations of the syndicate, apart from the fact that they will be able to undersell the government and interfere with the subscriptions of the public, which, in my opinion, must suffer, if different interests are involved in the efforts to place the bonds.

I remain, most respectfully, yours, AUGUST BELMONT.

No. 542¾.

Mr. Belmont to Mr. Sherman.

NEW YORK, *April* 13, 1878.

MY DEAR SIR: I take the liberty of adding a few lines to my letter of to-day, in order to assure you that no question of rivalry, no wish of grasping the government business, and *no pecuniary personal consideration of any kind* prompts the opinion which I venture, at your invitation, to submit to your earnest attention.

The syndicate to whom you have intrusted this negotiation, so essential to the success of resumption, are fully alive to the importance of that trust. Aside from the natural desire to secure the small legitimate banking commission on the transaction, their main object is and will be, as it has been in the past, to further as far as it will lie in their power the resumption of specie payments on the day fixed by law without unnecessary contraction and disturbance of the money market. To assist them in their efforts they only ask at your hands that confidence and cooperation to which they think their management of the funding business for the last five years entitles them.

Yours, most truly, AUGUST BELMONT.

Hon. JOHN SHERMAN, *&c.*

No. 543.

Mr. Upton to the Assistant Treasurer, Chicago, Ill.

TREASURY DEPARTMENT, *April* 15, 1878.

UNITED STATES ASSISTANT TREASURER, *Chicago, Ill.:*

SIR: I am directed by the Secretary to acknowledge the receipt of your letter of the 12th instant, requesting authority to issue certificates on account of subscriptions to the loan when notified by telegraph that proper deposit has been made with assistant treasurer, New York, on account of transfer from your office, and to inform you that it has been referred to the Treasurer of the United States, to whom your telegram on same subject has been referred, with directions to issue the necessary instructions in the matter.

Very respectfully, J. K. UPTON, *Chief Clerk.*

No. 544.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *April* 16, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Will you please advise us whether you are prepared to entertain a proposition from a combination of banks and bankers, whose names should be satisfactory to you, for the negotiation of 4 per cent. bonds, on the basis of an amount to be agreed upon to be taken at once,

with an option for any part of the remainder for the balance of the year, or for such other period as might be mutually satisfactory; the sales of 4 per cent. bonds to be made, during the pendency of the option, only through the parties entering into the contract, and the proceeds of sales to be applied to the redemption of five-twenty bonds.

If you are inclined to consider favorably a proposition to this effect, provided the details can be made satisfactory to you, it is probable that it will be made. The parties having the matter under consideration would be glad to have an indication of your readiness to entertain such a negotiation before proceeding further in the preparation of details, and have requested us to ask an expression from you on that point.

An early reply will greatly oblige.

Very truly, yours, FISK & HATCH.

P. S.—In case any negotiation, as indicated above, should be entered into, the parties interested would be glad to have the matter considered as confidential between the Treasury Department and themselves until concluded, and your reply to this will be so treated if desired.

No. 545.

Mr. Sherman to Messrs. Fisk & Hatch.

TREASURY DEPARTMENT, *April* 17, 1878.

Messrs. FISK & HATCH, *New York:*

GENTLEMEN: Your letter of yesterday is received, in which you ask if I will entertain a proposition from a combination of banks and bankers for the negotiation of four per cent. bonds upon certain terms named by you.

I would be happy to receive such a proposition from the banks and bankers whom I suppose you represent, and I would give the bonds to you on as favorable terms and with every facility that the law will allow. I am under no embarrassment or restraint as to the sale of the four per cent. bonds, but I do not think it would be policy for me to give you an exclusive option for any period of time, though, perhaps, if the amount was large I might do so for a short time. I am not under any obligations to the purchasers of the 4½ per cent bonds that restrict me in any way in the negotiation of the four per cent bonds, but am free to act under the law.

Still, as public subscriptions have been invited by Treasury circular, it would not be consistent with good policy for me to withdraw this tender and place the negotiation solely in your hands. Perhaps, in view of a large subscription, I might be disposed to give you some additional facilities not given by the general circular, but this would depend upon the amount and nature of your subscription. I would like, also, if practicable, in case an offer is made by you, that you include in it the contracting parties for the 4½ per cent. bonds, at least so far that the agents in the sale of the two classes of bonds will not conflict with each other, the interest of the department being equally concerned in the negotiation of both classes of bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

As you request, your letter and this reply will be considered by me as confidential for the present.

No. 545½.

Mr. Belmont to Mr. Sherman.

NEW YORK, *April* 17, 1878.

MY DEAR SIR: In reply to your favor of the 14th instant, in which you ask my opinion about the policy of receiving United States notes for customs, from and after July 1st next, I am rather inclined to the belief that such a movement would be premature.

It is true that such a notice might keep gold down to par or near it for the moment, but this temporary good effect would be more than counteracted if, as it would be very likely, the government would later be obliged to buy gold in the market for the payment of the interest on its bonds.

A temporary decline to par, followed by even a small advance, would do more harm than if the premium remains for the next few months where it is now, so near par that its gravitation to it is only a question of time.

I think, therefore, that it would be best to let gold take care of itself for the present, so that there may be as little variation in its price as possible, and this would surely be the case if no further legislation is attempted by Congress during the remainder of the present session.

To make resumption sure and lasting you want the confidence of the financial and commercial community, and you are certain to have this, if between now and next January gold can be kept near par, and the balance of trade does not turn too much against us, for which I see, however, hardly any danger.

Yours, very truly,

AUGUST BELMONT.

Hon. JOHN SHERMAN.

No. 546.

Mr. Cooper to Mr. Sherman.

COOPER UNION, &c.,
New York, April 18, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: In the brief interview which you did me the honor to give me at my house a few days ago, I was impressed with your desire to give all the information that would throw light upon the financial policy of the government and in the department of which you are the executive head. But we had not the time to discuss fully some of those practical questions that involve this financial policy, and I therefore now take the liberty, in a more deliberate manner, to ask of you an answer to questions which might throw light upon the public mind on these great interests, and allay the anxiety which pervades the hearts of our people in reference to their future prospects of business and employment, and show more clearly how the present policy of the government in enforcing "specie payments" by law and carrying out the resumption act could be attended with any *wholesome results to the financial interests* of this country, both in the present and the future.

First. Can you "resume" in the presence of $645,000,000 of legal tender and bank notes with what gold and silver you may have at your command, without an actual shrinkage of this currency either on the part of the government or of the banks?

Secondly. Can "resumption" be maintained after the law has placed a premium on coin and virtually demonetized the paper by rendering its *convertibility compulsory?*

In other words, can the present "par value" of paper and coin be taken as an index that after the law has thrown its whole weight in favor of coin, by making the paper "convertible," the present equilibrium between the two can still be maintained?

Thirdly. In connection with the fact that by purely commercial laws we have already arrived at specie payments, or the par between coin and paper money, what good will it do to thrust in the further power of the law on the side of coin?

How can we avoid placing the paper at the mercy of those who will have control of the coin, especially the paper of the national banks, whose chief credit will consist in maintaining "specie payments"?

Fourthly. After "resumption" how much money will the people have with which to transact businesss, employ labor, enter into new enterprises, and use "cash payments" instead of "inflating credits" to a ruinous degree, as in times past under the system of specie payments and convertibility by law?

Fifthly. It being the duty of Congress to make the necessary and proper laws for carrying into execution a system of money, weights, and measures as the only means to regulate commerce with foreign nations and among the several States, to provide, as far as possible, an "unfluctuating currency," a steady measure of prices, how can you prevent great and disastrous fluctuations in our "convertible money" and coin arising out of the great demands for gold and silver that may, at any time, be made upon us from the commercial relations of this country with Europe, over which the government can have no direct control?

With great respect, I remain, your obedient servant,

PETER COOPER.

No. 547.

Mr. Hawley to the First National Bank, Manchester, N. H.

TREASURY DEPARTMENT, *April* 18, 1878.

CASHIER FIRST NATIONAL BANK,
Manchester, N. H.:

SIR: Your letter of the 15th instant, stating that on February 20, 1878, you subscribed for $3,000 United States four per cent. bonds and forwarded original certificate of deposit, No. 1, for principal $3,000 and interest $16.80, of which you have heard nothing, has been received.

In reply I have to inform you that the bonds have been issued, but are held at the department in accordance with the conditions of circular of January 21, 1878, until other United States bonds of an equal amount are substituted in their stead, or the coin deposited has been paid upon Treasury drafts, or transferred to a sub treasury office.

If you do not wish to deposit other United States bonds, you may, if you prefer it, deposit the amount of the bonds subscribed for, including accrued interest, in gold, with some assistant treasurer, as a transfer of funds from your bank, and forward the original certificate of deposit to be issued therefor to this office.

Upon receipt of such certificate for proper amount, the bonds will be promptly delivered.

In your coin transcript of the Treasurer's general account, rendered to the department, you will debit the Treasurer as a "transfer of funds," with any amount thus deposited, giving the number and date of the certificate issued by the assistant treasurer.

Very respectfully,

JOHN B. HAWLEY, *Assistant Secretary.*

No. 548.

Mr. Sherman to Mr. Ewing.

TREASURY DEPARTMENT, *April* 19, 1878.

Hon. THOMAS EWING,
Acting Chairman Committee on Banking and Currency,
House of Representatives:

SIR: In compliance with your request of the 18th instant, I inclose herewith a copy of the contract recently made with a syndicate of New York bankers for the sale of 4½ per cent. bonds. The only previous correspondence on this subject was a letter sent to said bankers and one to the presidents of certain national banks, copies of which are inclosed.

In response to your question as to the amount of accrued interest that will be allowed to the syndicate at each payment on account of such sales, I have to reply that no accrued interest is paid to them, but, as you will see by the fourth paragraph of said contract, they are to pay the United States the amount of interest accrued on the bond up to the time of payment for it in addition to the premium of 1½ per cent. The interest on the 4½ per cent. bonds accrued on the 1st of March, and therefore, the interest is added from that date to the date of payment for the bonds.

The amount of commission to be paid is fixed by the law at one-half of one per cent. but out of this the associates are to pay all expenses incurred by them in the sale and reimburse the United States all expenses incurred by it as stated by said contract in paragraph 5.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 549.

Mr. Sherman to Mr. Cooper.

TREASURY DEPARTMENT,
Washington, D, C., April 20, 1878.

DEAR SIR: Your letter of the 18th instant is received. The questions which you ask me have been, in the main, answered to the committees of the two houses, and I might, perhaps, best reply to your letter by sending these documents, printed by order of the respective houses; but my sincere respect for you and desire to allay any doubts you may entertain of the success of the present plan of resumption induce me to answer your letter as fully as my time will allow.

As to your first question, "Can you resume in the presence of $645,000,000 of legal-tender and bank notes with what gold and silver

you may have at your command without an actual shrinkage of this currency, either on the part of the government or of the banks?"

You must bear in mind that the aggregate amount of legal-tender notes and bank-notes stated by you may be gradually diminished, so far as the legal-tenders are concerned to $300,000,000, and by the banks to such sum as they find can be maintained at par with the United States notes. But, assuming that the aggregate should be about the present amount, and remembering always that the bank-notes can be redeemed in legal-tender notes, and are not required to be redeemed in coin, I do express the opinion that resumption in a country like ours can be maintained in the presence of the existing volume of circulation; but if this should prove to be too great the reduction will be gradually of the bank-notes, or, if Congress so direct, of the legal-tender notes.

As to your second question, "Can resumption be maintained after the law has placed a premium on coin and virtually demonetized the paper by rendering its *convertibility compulsory?* In other words, can the present 'par value' of paper and coin be taken as an index that after the law has thrown its whole weight in favor of coin, by making paper 'convertible,' the present equilibrium between the two can still be maintained?"

I respectfully deny that the law places a premium on coin. One-half of this circulation is not redeemable in coin at all, but in legal-tenders; nor does the law fix a premium on coin as against legal-tenders, but simply requires an equality. Its convertibility is not compulsory. It is upon the demand of the holder. The holder is as likely to deposit the coin if he has it, as to deposit the notes for coin. The currency would rest upon the presumption that all paper money rests upon, that its use and convenience and convertibility will always keep it at par with coin.

To your third question, "In connection with the fact that by purely commercial laws, we have already arrived at specie payments, or the par between coin and paper money, what good will it do to thrust in the further power of the law on the side of coin? How can we avoid placing the paper at the mercy of those who will have control of the coin—especially the paper of the national banks, whose chief credit will consist in maintaining 'specie payments.'"

I have simply to say that we have only arrived at our present position approaching specie payments by the accumulation of coin in the Treasury and by the gradual and slow reduction of the volume of notes; and the very measures which have enabled us to reach so near the specie standard are necessary to be continued to enable us to maintain resumption. If resumption is desirable it cannot be maintained by a repeal of the law which requires resumption and grants the necessary powers to prepare for it and to maintain it.

As to your fourth question, "after resumption how much money will the people have with which to transact business, employ labor, enter into new enterprises, and use 'cash payments' instead of 'inflating credit' to a ruinous degree, as in times past under the system of specie payments and convertibility by law?" It is answered, I think, by what I have said in reply to your first question. We will have the United notes, the bank notes, the coin certificates both gold and silver, together with the gold and silver itself, all in circulation. The actual amount of currency in circulation, I think, will be as large in specie times as now, and its equality and convertibility will rather increase than prevent the circulation of either. The depreciation of paper money is not necessarily caused solely by its excess, but by the uncertainty of its value and confidence in its redemption.

In reply to your fifth question, "It being the duty of Congress to make the necessary and proper laws for carrying into execution a system of money, weights and measures as the only means to regulate commerce with foreign nations and among the several States, to provide as far as possible, an 'unfluctuating currency,' a steady measure of prices, how can you prevent great and disastrous fluctuations in our 'convertible money' and coin, arising out of the great demand for gold and silver that may at any time be made upon us from the commercial relations of this country with Europe over which the Government can have no direct control?" I have only to say that it is undoubtedly the duty of Congress to provide for the possible contingencies that would make it necessary to suspend specie payments, though, as the circumstances which would compel suspension are necessarily unforeseen, unknown, difficult to be defined, or to be provided for, I am not sure but it is better to leave the question of suspension to the necessities of the case rather than to legislation, which must be founded upon uncertainty. When the Treasury is actually unable to redeem its notes in coin suspension comes necessarily, but resumption would come again from the absolute necessity of currency for our daily wants, and Congress could provide better in view of the actual facts than anticipated facts.

I think the real difficulty that has stood in the way of resumption is the nightmare of things that have existence only in the brain and not in fact. We can only deal with the current course of events based upon probabilities, and cannot provide for unforeseen contingencies.

It is my earnest hope that you, and gentlemen like you, who I know are sincere in your convictions, may see your way to trust to the policy that is now entered upon, which seeks to provide as much paper currency as can be maintained at par in coin, and to secure its active circulation in aid of industry and enterprise.

I am, with great respect, JOHN SHERMAN.

Hon. PETER COOPER, *New York.*

No. 550.

Mr. Sherman to Mr. Glover.

TREASURY DEPARTMENT, *April* 22, 1878.

Hon. J. M. GLOVER,
Chairman Committee on Expenditures in Treasury Department,
House of Representatives:

SIR: In compliance with your request, I herewith inclose copies of the contracts dated July 28, 1874, August 24, 1876, June 9, 1877, and April 11, 1878, made between the Secretary of the Treasury and Messrs. August Belmont & Co., and others, for the negotiation of bonds authorized by acts of Congress of July 14, 1870, January 20, 1871, and January 14, 1875. For reasons which are manifest, it is not deemed advisable to make these contracts public.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 550½.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *April* 25, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We beg to confirm our telegram of this morning in which we advised you that we could probably secure five million ounces fine silver, deliverable and payable in San Francisco, at $1.19⅝ gold per ounce. We also took the liberty to telegraph to you on the subject to Philadelphia, recommending the matter to your favorable consideration, and we shall be pleased to hear from you by wire at your earliest convenience. As mentioned in our dispatches, this transaction, if it can be consummated, will lead to a large sale of 4½ per cent. bonds, and we trust that you will on that account be able to arrange for the purchase of the silver, which besides in furnishing a supply from domestic sources, will avoid the possibility of your having to look to the foreign markets to that extent.

Purchases abroad in the present state of the exchange market will inevitably cause the shipment of the same amount of gold, and can therefore not be desirable in connection with the preparations for resumption.

In making the above proposition to your department we take it for granted that it will suit to allow us to pay an amount of gold, similar to that to be received in payment of the silver to the assistant treasurer in San Francisco on account of our contract of the 11th instant, against 4½ per cent. bonds.

Hoping to hear from you to-morrow, we remain,

Yours very respectfully, AUGUST BELMONT & CO.

No. 551.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *April* 26, 1878.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Your letter of the 24th instant, applying for $5,000,000 4½ per cent. bonds, being the amount for which you have the option during the month of May, is received, and the bonds will be sent to you as rapidly as they can be prepared, some of them not being ready.

I also am anxious to make a call for 6 per cent. bonds, but, in view of the deficiency of the last call, now about $2,500,000, I do not feel authorized to make an additional call, but the moment that deficiency is made good I will venture another call in anticipation of subscriptions.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 551½.

Mr. Belmont to Mr. Sherman.

New York, April 26, 1878.

MY DEAR SIR: I have duly received your telegram of yesterday, promising a reply to-day to the despatches of my house regarding the sale of silver to your department, for which I am much obliged.

With reference to the remarks in yesterday's letter of my house about the advantage of securing the silver supply from domestic sources, it will interest you to know that Lazard frères shipped yesterday $600,000 gold to Europe against silver imported by them and sold to your department, and that Kuhn, Loeb & Co. have also shipped largely through the Bank of Montreal against 4½ per cent. and other United States bonds, which they are importing from London.

These shipments are made notwithstanding that the exchange rules below the specie shipping point and that best bankers bills *are freely offered at more advantageous rates, than shipping gold.* This looks very much as if these parties were shipping gold in order to put up its price, and to affect the market, because they could remit cheaper in short or sixty days' bills than the gold shipments will yield.

I only mention this in order to show how undesirable it is to give opportunities to manipulate the exchange market to parties who are entirely indifferent as to the bearing it has on your resumption policy, and whose operations not only tend to interfere with our sales, but also with the accumulation of gold in our country, so essential to the successful carrying out of the resumption act.

I remain, most respectfully, yours, AUGUST BELMONT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

No. 552.

Mr. Sherman to Mr. Shuler.

TREASURY DEPARTMENT, *April 26, 1878.*

S. M. SHULER, Esq.,
Liverpool, Perry County, Penna.:

SIR: In reply to your letter of the 10th instant, asking whether the department will receive the small coins, such as the three, five, and ten cent pieces in exchange for 4 per cent. bonds, I have to inform you that coins in question, under the provisions of section 3586 Revised Statutes of the United States, are not a legal tender for any amount exceeding five dollars in any one payment, and they cannot, therefore, be received in payment for United States bonds.

I inclose herewith for your information department's circular of March, 6, 1878, showing the manner in which payment for the bonds in question may be made.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 553.

Mr. Sherman to Amoskeag National Bank, Manchester, N. H.

TREASURY DEPARTMENT, *April* 27, 1878.

CASHIER AMOSKEAG NATIONAL BANK,
Manchester, N. H.:

SIR: Your letter of the 24th instant, asking whether the department will deliver 4½ per cent. bonds to such national banks as choose to qualify themselves to be appointed depositaries for that purpose, &c., has been received.

In reply I have to inform you that the government is at present disposing of the 4½ per cent. bonds only through Messrs. August Belmont & Co., in New York, and their associates, under contract, and cannot therefore deliver them direct to your bank.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 554.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON. *April* 28, 1878.

SHERMAN, *Washington:*
Arrived safely. CONANT.

No. 555.

Fifty-sixth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 41.
Secretary's Office.

TREASURY DEPARTMENT, *April* 30, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 13th day of July, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 50001 to No. 53000, both inclusive.
$100—No. 85001 to No. 90000, both inclusive.
$500—No. 60001 to No. 63000, both inclusive.
$1,000—No. 108001 to No. 114400, both inclusive.
Total coupon..... $3,000,000

REGISTERED BONDS.

"*Redeemable at the pleasure of the United States after the 1st day of July, 1870,*" *as follows:*

$50—No. 1751 to No. 1900, both inclusive.	
$100—No. 14101 to No. 15200, both inclusive.	
$500—No. 8701 to No. 9200, both inclusive.	
$1,000—No. 28751 to No. 30100, both inclusive.	
$5,000—No. 8051 to No. 8300, both inclusive.	
$10,000—No. 14851 to No. 15507, both inclusive.	
Total registered	2,000,000
Aggregate	5,000,000

The amount outstanding, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 556.

Mr. Sherman to Messrs. Kidder, Peabody & Co.

TREASURY DEPARTMENT, *April* 30, 1878.

MESSRS. KIDDER, PEABODY & CO.,
No. 40 State Street, Boston:

GENTLEMEN: Your letter of the 26th instant, asking if the department will receive from your firm subscriptions to the four per cent. consols on the same terms as from national banks, which you understand to be at par, and accrued interest to time of purchase, in gold, less ¼ per cent., the purchase money to be held subject to the order of the department for resumption purposes, and not required before January 1, 1879, has been received.

In reply I have to inform you that under the law no banks except national banks can be designated as public depositaries, and consequently I cannot authorize you to receive and hold public funds on any account.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 557.

Mr. Sherman to the Montgomery National Bank, Norristown, Pa.

TREASURY DEPARTMENT, *April* 30, 1878.

PRESIDENT MONTGOMERY NATIONAL BANK,
Norristown, Pa.:

SIR: Your letter of the 29th instant, stating that your bank desires to invest $60,000, one-half in the five per cent. and one-half in the new

four per cent. United States bonds, and asking if you can subscribe directly to the department for both kinds, has been received.

I inclose herewith department's circular of March 6, 1878, giving full information concerning subscriptions to the four per cent. consols of 1907, which are the only bonds for which the Secretary of the Treasury at present receives subscriptions directly from individuals.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 558.

Mr. Wood to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
COMMITTEE OF WAYS AND MEANS,
Washington, D. C., May 1, 1878.

DEAR SIR: Please direct that a statement be furnished me of the total cost of the conversion or funding of the 5-20s since the passage of the act authorizing it until this date; and oblige

Yours, truly, FERNANDO WOOD.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 559.

Mr. Sherman to New Orleans National Bank.

TREASURY DEPARTMENT, *May* 1, 1878.

CASHIER NEW ORLEANS NATIONAL BANK, *New Orleans, La.:*

SIR: Your letter of the 27th ultimo, stating that it would aid subscriptions to the 4 per cent. loan if the assistant treasurer of your city could be authorized to sell gold, or if your bank could be authorized to receive Brown Bro.'s & Co.'s gold exchange on New York in payment for subscriptions, has been received. In reply I have to inform you that it is deemed advisable to limit the sale of gold by the assistant treasurer at New Orleans to the amount required by importers for payment of duties.

In adjusting your deposit account with the department you will be credited with the amount of any gold deposited by you through your New York correspondents to the credit of the Treasurer of the United States, with the U. S. assistant treasurer at New York, as a transfer of funds from your bank.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 560.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, May 4, 1878.

DEAR MR. SECRETARY: I had the pleasure of sending a telegram to you on Sunday last, the 28th ultimo, from Liverpool, announcing our

safe arrival at that place on that day. We had an unusually good voyage across.

As a matter of safety we remained in Liverpool until Monday, and on that day made the journey to this city, and were very kindly received by the associates here. I have had daily interviews with them and have communicated to them your plans and wishes concerning resumption, &c. They appreciate the necessity of taking care of the exchanges, and I feel sure they will control them.

I find that the market here (since the contract was made) so far as regards our securities has been gradually improving, both in prices of the same and in the feeling respecting their soundness and value.

The distrust of our credit, which became almost universal at one time, has been slowly but surely disappearing. This is to be attributed to our near approach to resumption; to a statement which has been published to the effect that you had declared that you would continue to pay the interest on the debt in gold coin; and to the fact that you succeeded in making the present contract with the syndicate.

From all the inquiries I have made I am satisfied that no bonds are being offered here or sold for the New York market. In fact the price of 4½ per cent. bonds is as high here to-day as it is in New York, viz, £105½—equal to $103½ currency.

On Thursday there was a rise of ⅜ in the 5 per cent. funded; ¼ rise in the 10-40s, and ⅛ in the 4½ per cent. funded.

During the same day the prices of most foreign securities fell off.

At one time here during the excitement growing out of the silver bill our 4½ per cent. stock fell to £102¼.

The amount of 4½ per cent. bonds which has been disposed of at home greatly surprises people here. They cannot understand how it is that Americans have money to such an extent for investment.

It is difficult to determine just how soon sales can be successfully commenced here; but if nothing unfavorable shall occur during the ensuing two weeks I see no reason why the bonds cannot then be put upon the market. The parties wish to avoid any mistakes that may arise from making too early a beginning (that is, before the market is in a proper condition), and for that reason they are withholding offerings for the present. The market they think is being worked up as rapidly as possible. I hope soon to be able to report operations.

It was expected on Thursday that the bank rate would be increased on account of the weakness in its reserves as shown by its returns, the ratio of reserves to liabilities being only 32⅝ per cent. The present amount of the reserve is no larger than it was in October last, at which time the rate ruled at 5 per cent. for the purpose of protection.

(I inclose herewith a page of the Economist of April 27, containing tables showing the reserves at different periods.)

It is thought by many financial writers that the reserve of the bank should be at least 50 per cent. greater than it is at the present time.

The current rate of loans from day to day is 2½ per cent.; for three months' discounts it ranges from 2⅝ to 2¾ per cent.; and for six months' loans the price is about 3¼ per cent. This is to be taken, I think, as an indication of an expected easy money market here with low rates of interest for some time to come.

There is, however, only a very limited demand for money, owing to political complications and commercial depression. The cotton trade is one of the industries that is languishing most at the present time.

The recent strike of operatives in North and Northeast Lancashire, it is estimated, affects two hundred thousand persons. Of this number

there are seventy-five thousand weavers alone out of employment. The manufacturers say they are being hard pressed by foreign competition, especially by that of America.

Trade is spoken of here as being in a lifeless condition. A strike has just occurred on railroads in the North.

The price of silver is gradually falling, a further decline of ¼*d.* per ounce taking place yesterday. The nominal price is 53⅜*d.*, and the tendency is downward. I learn that a great many speculators in silver have suffered losses through the failure of an American demand for it, and, consequently, from having to dispose of their stock at less than cost prices.

There has been quite a scare created here during the past few days through telegraphic reports from America to the effect that a Russian steamer, the Cimbria, a *privateer*, was off the coast of Maine, and that privateers would be fitted out in America by the Russians in the event of a war with England. The English press treat the matter seriously and warn us of the Alabama case.

I inclose herewith extracts from various newspapers relating to resumption and other American matters which I think will be of interest to you.

I have no fear or idea that England will become involved in war.

With great respect, I am yours, truly.

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 561.

Mr. Hawley to Assistant Treasurer United States, Chicago, Ill.

TREASURY DEPARTMENT, *May* 4, 1878.

UNITED STATES ASSISTANT TREASURER, *Chicago, Ill.:*

SIR: Your letter of the 29th ultimo, addressed to the Treasurer of the United States, in which you inquire whether the arrangements with the National Bank of Commerce in New York, mentioned in the posters concerning the 4 per cent. loan, and in department's circular of March 6, 1878, can be made available for subscribers at your office, has been received at this office.

In reply I have to inform you that it is expressly stated in the posters and circulars that such drafts as are therein mentioned can be received by the *Secretary of the Treasury*, and the arrangements were intended to apply only to subscriptions received directly at the department.

It is not practicable to apply these arrangements to any subscriptions received at the several sub-treasury offices.

Very respectfully,

JOHN B. HAWLEY, *Assistant Secretary.*

No. 562.

1878.
Department No. 45.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., May 6, 1878.

The Secretary of the Treasury will, until further notice, receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest, in coin.

The bonds are redeemable July 1, 1907, and bear interest, payable

quarterly, on the first day of January, April, July and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The subscriptions may be made for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000.

Two per cent. of the purchase money must accompany the subscription; the remainder may be paid at the pleasure of the purchaser, either at time of subscription or within ninety (90) days thereafter, the accruing interest on the bonds to be computed at the rate of four per cent. per annum, to date of payment.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, but no commission will be paid upon any single subscription less than $1,000.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered bonds, the full name and post-office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the Treasurer of the United States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly endorsed, at the offices of the Treasurer and assistant treasurers of the United States.

Payment for the bonds may be made in coin to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco.

To promote the convenience of subscribers, the department will also receive, in lieu of coin, called bonds of the United States, coupons past due or maturing within thirty days, and gold and silver certificates of deposit; also, coin drafts on New York for the amount of their proceeds.

Arrangements have been perfected with the National Bank of Commerce of New York, a public depositary, whereby currency drafts can be received by the Secretary of the Treasury on account of subscriptions to the four per cent. loan, and the coin value thereof, on the day of collection in New York, will be credited to the subscriber. Any amount beyond what is required in payment of the bonds will be returned to subscribers by bank draft with a full statement of the transaction. The coin and currency drafts mentioned should be drawn in favor of the Secretary of the Treasury.

JOHN SHERMAN,
Secretary of the Treasury.

No. 563.

Fifty-seventh call.—Redemption of 5-20 bonds of 1865—*Consols of* 1865.

1878.
Department No. 46.
Secretary's Office.

TREASURY DEPARTMENT,
May 6, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 6th day of August, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 53001 to No. 56000, both inclusive.	
$100—No. 90001 to No. 95000, both inclusive.	
$500—No. 63001 to No. 66000, both inclusive.	
$1,000—No. 114401 to No. 120900, both inclusive.	
Total coupon	$3,000,000

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the* 1*st day of July*, 1870, *as follows:*

$50—No. 1901 to No. 1950, both inclusive.	
$100—No. 15201 to No. 15700, both inclusive.	
$500—No. 9201 to No. 9350, both inclusive.	
$1,000—No. 30101 to No. 30900, both inclusive.	
$5,000—No. 8301 to No. 8450, both inclusive.	
$10,000—No. 15508 to No. 15780, both inclusive.	
Total registered	2,000,000
Aggregate	5,000,000

The amount outstanding, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 564.

Mr. Hawley to Assistant Treasurer U. S., Philadelphia, Pa.

TREASURY DEPARTMENT, *May* 6, 1878.

U. S. ASSISTANT TREASURER, *Philadelphia, Pa.:*

SIR: In reply to your letter of the 4th instant, inquiring concerning the receipt of silver dollars in payment for bonds, you are informed that the standard silver dollars may be received in payment for subscriptions to the loan, the same as gold coin.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 565.

The Nevada Bank of San Francisco, Cal., to Mr. Sherman.

THE NEVADA BANK OF SAN FRANCISCO,
San Francisco, Cal., May 7, 1878.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

SIR: I beg to hand you a copy of the following telegrams received from you per date specified—May 6: "At what price will you sell one million five hundred thousand ounces fine silver, two-thirds deliverable at San Francisco, the balance at Carson, payable in 4 per cent. bonds at par, less one-quarter of one per cent., or in silver dollars?"

I remain, yours, truly, H. W. GLENNY,
For President.

No. 566.

The Nevada Bank of San Francisco, Cal., to Mr. Sherman.

May 8, 1878.

JOHN SHERMAN, *Secretary Treasury, Washington:*

Do not care to sell fine silver for four per cent. bonds, or silver dollars. LOUIS MCLANE, *Prest.*

No. 567.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
New York, May 8, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Our expectation in making (with your assent) a deposit of bonds with the Assistant Treasurer here, as additional security for government deposits was, that as the Treasury did not require the immediate or early use of the gold, the balances left with us at credit of the Treasurer would be increased and remain probably for a considerable time, and that we might advantageously use a portion of them in facilitating large *government bond dealers* (transacting business with us) in their subscriptions to the 4-per cent. bonds, and enable them to materially increase their transactions in and subscriptions to those bonds.

To my surprise, however, notwithstanding such additional deposit of securities, the Treasurer has since twice requested the transfer of deposits into the Treasury; which transfers have been made; leaving the balance of gold resting with us at credit of the Treasurer too inconsiderable to be advantageously used.

Two or three large dealers have expressed to me their desire to subscribe for the 4 per cent. bonds, to be delivered to and settled for by them through this bank, upon our granting them such facilities. If this can be done, and the proceeds of payment for such bonds remain with us until actually wanted by the Treasury, I believe we can arrange with

them to their advantage, and so facilitate as to induce largely increased subscriptions. Or, if it should be more desirable to you, *this bank could make subscriptions direct;* if it is understood that the gold proceeds of such subscriptions shall be left with us, at credit of the Treasurer of the United States, for a considerable period, against our security deposits already made or to be made, sufficient to cover such credit.

Please advise me in the matter at your early convenience.

Yours, very respectfully, HENRY F. VAIL, *President.*

No. 568.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 10, 1878.

SHERMAN, *Washington:*

N. M. Rothschild & Sons would be pleased to know what amount of twenty-five millions 4½ per cent. bonds subscribed for by contracting parties have been delivered and paid for. Market improving.

Answer desired as soon as possible. CONANT.

No. 569.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *May* 11, 1878.

SIR: In compliance with the request contained in your letter of the 2d instant, in which you ask to be furnished with a statement of the date of issuing bonds of the funded loans, and the amount of the difference of interest between those converted and destroyed, and those now outstanding issued in lieu thereof, I have the honor to submit herewith a statement showing in detail the retirement of bonds bearing interest at six per cent. for which bonds bearing a lower rate of interest have been issued, and the saving in interest from the transaction, computed to May 10, 1878.

At that date the saving of interest on 6 per cent. bonds, funded, was at the rate of $8,680,430 per annum.

Very respectfully, JOHN SHERMAN, *Secretary.*

Hon. FERNANDO WOOD,
United States House of Representatives.

(Mem. No copy of statement retained in Treasury.)

No. 570.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, May 11, 1878.

DEAR MR. SECRETARY: The improvement in the feeling here respecting American securities and credit, mentioned in my letter of last week, has continued throughout the present week.

On Monday last the syndicate obtained from the Stock Exchange a

quotation for the four and one-half per cent. bonds issued in addition to the two hundred millions.

They expected that their application for the quotation would result in an inquiry into the question whether under the provisions of the silver bill the principal of and the interest on these bonds would be paid in gold or silver, and that for that reason they might find some difficulty in placing them in this market; but, very much to the astonishment of the associates, their request was promptly complied with.

There is no denying the fact that the near approach to the resumption of specie payments—in fact, the expected actual resumption at an early day, which is now believed to be guaranteed by the negotiations which you made for the sale of the 4½ per cent. bonds; the discontinuance of the agitation of the silver question; the feeling that the silver bill will not be productive of great harm, and that if it works injuriously it will be repealed; and the good prospects of growing crops, have created a great change here in the right direction, in respect to our credit and the value of our bonds: and have not only stopped the flow of bonds from here to America, but have caused the attention of investors to be again directed towards our securities. The Messrs. Rothschild have now really got the control of the market. They have made a few sales in small sums during this week, aggregating about $300,000. They do not as yet make any special offer of the bonds, and do not think it advisable to sell at present, except against such amounts as they can obtain of coupons and called bonds with which to make payment therefor; because exchange is now growing more favorable to the United States, with good prospects for the future, and they do not wish to disturb it. There is danger that if they should sell large amounts of bonds at the present moment against exchanges, it might have the effect of sending bonds home.

They requested me on yesterday to say to you that they would render you every possible aid in carrying out your plans.

The rate for money is somewhat less than during last week; three months bank bills being quoted at 2½ per cent. Money is very abundant and very cheap in Paris; and for that reason, unless there shall be a war, and that I do not believe to be probable, the price of money here will rule low for some time to come, although the stock of bullion here is less than usual.

The price of silver has again declined and there is but little inquiry and demand for it at 53½*d.* per ounce.

The board of trade returns, just published, for the four months ending April 30, 1878, compared with the corresponding period of 1877, show that the amount of gold *imported* from the United States during the first-named period was £419,448, as against £6,127, during the time last mentioned. The *exports* to the United States of gold for the same period are stated as, four months, 1878, £540,000, corresponding period in 1877 £251,500.

The account also shows that during the first four months of the present year *silver* was exported from here to the United States to the amount of £1,061,750.

This of course occurred by reason of the passage of the silver bill.

The Bank of England returns made on Thursday were as follows: circulation, £28,101,515; coin and bullion, £23,054,679; deposits, £28,036,382; securities, £36,038,186; and the reserve, £9,953,164. The Bank of France decreased its notes in the last week to the extent of £1,140,000 and increased its coin by the sum of £453,000. The bank rate in Paris is 2 per cent. and the open market rate 1¾ per cent.

It is reported that some of the silver which was exported to the United States was sent from Paris.

With great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 571.

Mr. Hawley to National Bank of Texas, Galveston, Texas.

TREASURY DEPARTMENT, *May* 13, 1878.

CASHIER NATIONAL BANK OF TEXAS, *Galveston, Texas:*

SIR: Your letter of the 6th instant, stating that on April 4th you forwarded original certificate of deposit No. 1 for $2,000.88 coin, for subscription to four per cent. funded loan of 1907, and asking if you cannot make transfer of the funds so that the subscriber will get the bonds, has been received. In reply, I have to inform you that the bonds have been issued, but are held at the department in accordance with the conditions of circular of January 21, 1878, until other United States bonds of an equal amount are substituted in their stead, or the coin deposited has been paid upon Treasury drafts or transferred to a sub-treasury office.

If you do not wish to deposit other United States bonds you may, if you prefer it, deposit the amount of the bonds subscribed for, including accrued interest in coin, with some assistant treasurer as a "transfer of funds from your bank," and forward the original certificate to this office. Upon receipt of such certificate, for proper amount, the bonds will be promptly delivered.

In your coin transcripts of the Treasurer's general account, rendered to the department, you will debit the Treasurer as a "transfer of funds" with any amount thus deposited, giving the number and date of the certificate issued by the assistant treasurer.

Very respectfully,

JOHN B. HAWLEY,
Assistant Secretary.

No. 572.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *May* 14, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury,*
Washington, D. C.:

DEAR SIR: We have received your telegram of this day, in reply to ours, respecting the receipt of called five-twenty bonds in payment on account of our subscriptions for four per cent. bonds.

In explanation of our letter of yesterday and our telegram of to-day it is proper to say that we have supposed, and this has been the general impression, that, in the negotiation of 4 per cent. bonds through the syndicate heretofore, it was the custom of the department to receive from them in payment any called five-twenty bonds, whether part due or to become due, at par and interest to maturity; and it would also appear that the

syndicate have a similar privilege in paying for the 4½ per cent. bonds recently subscribed for by them, from the fact that bond dealers connected with the syndicate habitually offer prices for called bonds not yet matured, which could not be profitable to them unless the bonds were available in that way. We are selling considerable amounts of 4 per cent. bonds, as our recent subscriptions to the departments, in addition to large purchases previously made by us in the open market, show.

Our business in government bonds is large; and we could greatly increase our subscriptions to and sales of the 4 per cent. bonds, if it were in your power to grant us facilities which would afford a small margin of profit in taking the bonds for resale. Under the existing term of popular subscriptions, the allowance of ¼ per cent. being offered to all subscribers alike, including private investors as well as bankers and dealers, it is no longer looked upon as a *commission* upon the sale of the bonds, but has come to be regarded simply as a *discount* from the nominal price; or, in other words, that the government price of the bonds is 99¾ and interest.

There is therefore in reality, under existing arrangements, no commission proper available as a compensation to the banker or dealer for the expense, risk, and trouble of handling the bonds, of inviting and inducing investments in this particular class of bonds, and of placing them within the convenient reach of the large class of investors who prefer to make their investments at accustomed places and make payment in currency or checks at a currency price and receive their bonds at once, as they have been accustomed to do in the purchase of other issues at our own or other prominent offices where government bonds are kept on hand for immediate delivery at current market prices. The privilege of paying for the 4 per cent. bonds in called bonds at par and interest to maturity, as proposed, would afford us a slight profit in the purchase and exchange of called bonds, without loss to the government for and without any change in the terms of popular subscription, which would materially increase the inducement to larger subscriptions and to increased effort to induce investments in the 4 per cent. bonds.

We beg further to suggest whether you cannot consistently offer or allow us an additional commission of ¼ per cent. upon large amounts, to be payable only when our subscriptions reach a certain stipulated aggregate, say $5,000,000, and not to be allowed unless that amount is reached.

Your kind attention to the foregoing and an early reply will much oblige,

Very truly yours, FISK & HATCH.

No. 573.

Mr. Sherman to First National Bank of Chicago, Ill.

TREASURY DEPARTMENT, *May* 14, 1878.

CASHIER FIRST NATIONAL BANK OF CHICAGO,
Chicago, Ill.:

SIR: Your letter of the 10th instant, asking if a similar arrangement can be made with your bank as that now existing between the department and the National Bank of Commerce, New York, to facilitate subscriptions to the 4 per cent. consols of 1907, has been received.

In reply, I have to inform you that the United States assistant treas-

urer at New York not having the facilities for collecting drafts drawn on banks and bankers in that city, the National Bank of Commerce, already a public depositary, was requested to make collections of drafts received at this office in payment of subscriptions to the loans, and to issue therefor certificates of deposit.

Almost without exception all drafts received on this account are payable in New York, and the returns of the bank are made the day of the receipt of the drafts, thus enabling the subscriptions to be made at the earliest practicable moment.

In order to make a similar arrangement with you, your bank must first become a public depositary, and then only drafts or checks payable in your city could properly be sent to you for collection.

As but a very few Chicago checks have yet been received at the department, it is not deemed advisable to make arrangement with your bank, as suggested, nor is it believed that under the circumstances you would care for the account.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 574.

Mr. Sherman to Messrs. Fisk and Hatch.

TREASURY DEPARTMENT, *May* 15, 1878.

Messrs. FISK & HATCH, *New York:*

GENTLEMEN: Your letter and telegram of the 13th, inquiring if called bonds would be received in payment for 4 per cent. bonds, were duly received, and also your telegram of to-day offering to take $100,000 registered 4 per cent. bonds, if the department will receive in payment the same amount of called bonds not due, allowing interest to maturity of the same.

A little time has been taken to give this subject full consideration. It is the desire of the department to promote in every way the sale of the 4 per cent. bonds, and it is apparent that your offer is in the interest of the government, but a careful examination of the law convinces me that I am not authorized to accept it. As I can only sell the bonds at par for coin, to receive directly 5-20 bonds and allow interest until the maturity of ninety days in payment of the 4 per cent. bonds already bearing interest, would appear to be a stretch of the authority conferred.

I am, however, authorized to deposit the coin in payment of the bonds in a public depositary duly authorized under section 5153 Revised Statutes, and will allow such deposit to remain until the maturity of any outstanding call made previous to the subscription for 4 per cent. bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 575.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMEMT, *May* 16, 1878.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: The rapid subscription to the 4½ per cent. loan and the consequent temporary advance in the premium on gold impresses me

with the conviction that it will be good policy not at present to urge the sale of these bonds, or the accumulation of gold in the Treasury. The contract contemplated a monthly sale and a slow accumulation, and I fear that the rapid one that has occurred may, to some extent, embarrass private business. Would it not be better to withhold these sales and press the 4 per cent. loan instead?

I invite your views and those of your associates upon the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 576.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 17, 1878.

SHERMAN, *Washington:*

N. M. Rothschild & Sons would be pleased to know if Secretary of the Treasury will purchase from them about two hundred thousand pounds sterling, say one million dollars, in silver bars, to be delivered in New York, and at what price, N. M. Rothschild & Sons taking in exchange new 4½ bonds to be delivered at once. CONANT.

No. 577.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *May* 17, 1878.

CONANT, *London:*

Deliver to Rothschilds $110,000 new 4½ per cent. bonds, paid for here. Treasury Department buying silver delivered in New York free of expense at equivalent of London rates; pay in silver dollars or silver certificate; therefore cannot make offer to Rothschilds.

SHERMAN.

No. 578.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We are this morning in receipt of your favor of the 16th instant, with reference to the sale of the 4½ per cent. bonds, to which we shall take pleasure in replying on Monday. In the mean time we beg to say that we have advanced the syndicate price for these bonds to 102½ and interest, which will have the effect to check sales to some extent.

We remain, very respectfully, yours,

AUG. BELMONT & CO.

No. 579.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *May* 20, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Confirming our respects of the 18th instant, by which we acknowledged receipt of your favor of the 17th, we beg now to add, with reference to the sales of the 4½ per cent. bonds, that it would have been easy to have retarded the sales by advancing the price sooner than we did; but, as we had the success of the loan more at heart than to make a large profit out of it, we were anxious to take advantage of the good demand while it lasted. We have, however, as already advised, recently advanced our price, which has the effect to check sales, and will in a measure prevent the too rapid accumulation of gold.

The associates have already, to some extent, taken steps to prevent a too stringent condition of the gold-loan market, and will continue to supply the demand as far as possible in order to avoid a pressure on the premium from this source.

We remain, dear sir, very respectfully, yours,

AUG. BELMONT & CO.

No. 580.

Fifty-eighth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 49.
Secretary's Office.

TREASURY DEPARTMENT,
May 22, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury, of the United States, in the city of Washington, on and after the 22d day of August, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 56001 to No. 59000, both inclusive.	
$100—No. 95001 to No. 101000, both inclusive.	
$500—No. 66001 to No. 69000, both inclusive.	
$1,000—No. 120901 to No. 125000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS.

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 1951 to No. 2050, both inclusive.	
$100—No. 15701 to No. 16600, both inclusive.	
$500—No. 9351 to 9700, both inclusive.	
$1,000—No. 30901 to No. 32200, both inclusive.	
$5,000—No. 8451 to No. 8700, both inclusive.	
$10,000—No. 15781 to No. 16250, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption, *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 581.

Mr. Sherman to Mr. Buckner.

TREASURY DEPARTMENT, *May* 24, 1878.

Hon. A. H. BUCKNER,
Chairman Committee on Banking and Currency,
House of Representatives:

SIR: Supposing from the tenor of your letter of the 23d instant that you would like a prompt answer, I have the honor to state that the contract made on the 11th of April for the sale of $50,000,000 four and a half per cent. bonds has not yet been closed. The amount subscribed and paid for up to date is $35,000,000, and $3,000,000 have been ordered but not issued. The residue will, I am assured, be taken before the time fixed by the contract.

I am not able now to state separately the amount of gold coin, silver dollars, coin certificates, coupons, and called bonds received in payment for bonds, but will inquire of the assistant treasurer at New York, and advise you. All these are received as coin, without distinction, and it may be difficult to give the exact amount of each received.

I have also to inform you, in response to your request, that I do not contemplate making any further sale of bonds for resumption purposes, and feel confident that the amount secured already will answer the requirements of the law, unless it is changed to make the task more difficult; nor am I negotiating with the syndicate for any further sale of bonds for any purpose, the present intention being to sell only four per cent. bonds for refunding purposes upon the basis of the inclosed circulars, though upon this point I think it best that the department should not commit itself, as propositions may be made either by the syndicate or other parties, of such manifest advantage to the government that it would be my duty to accept.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 582.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
NEW YORK, *May* 24, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Referring to my letter of 8th instant (to which I have as yet received no reply or acknowledgment) and to the views therein ex-

pressed which, as we have not heard to the contrary, we assume were acceptable to you, and we have acted in accordance to some extent; I now propose a subscription by this bank on behalf of one of our large dealers for $2,000,000 of United States 4 per cent. coupon bonds—say $1,500,000 of denomination $1,000s, 500,000 of denomination $500s, with the conviction and assurance that the proceeds thereof shall remain in this bank uncalled for on deposit at credit of the Treasurer United States until the maturity of the next call which shall be made by the department for the redemption of 5-20 bonds.

If this is in accordance with your views and meets your approval, be pleased to forward the bonds at your earliest convenience, and authorize the assistant treasurer here to receive from us a like amount of United States bonds as a deposit by this bank as *additional* security for United States deposits; and I shall be pleased to learn by telegraph upon receipt hereof if the bonds will be forwarded in accordance herewith.

Yours, very respectfully, HENRY F. VAIL, *President.*

No. 583.

Mr. Sherman to Wilber National Bank, Oneonta, N. Y.

TREASURY DEPARTMENT, *May* 24, 1878.

CASHIER WILBER NATIONAL BANK, *Oneonta, N. Y.:*

SIR: Your letter of the 21st instant asking what action is necessary in order to become a depositary and subscription agent for the four and four and a half per cent. loans, has been received.

In reply I have to inform you that subscriptions to the four and a half per cent. loan are received only through Messrs. Belmont & Co., of New York, and their associates.

Subscriptions to the four per cent. consols of 1907 are received at the department and through the sub-treasury officers and national banks which have been designated for that purpose.

I inclose herewith department's circular of January 21, 1878, under the provisions of which, if you desire it and will so inform this office, the bank of which you are cashier will be designated a United States depositary to receive deposits on account of subscriptions to the 4 per cent consols of 1907.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 584.

Mr. Sherman to First National Bank, Chelsea, Mass.

TREASURY DEPARTMENT, *May* 24, 1878.

CASHIER FIRST NATIONAL BANK, *Chelsea, Mass.:*

SIR: Your letter of the 21st instant inclosing certificate of deposit No. 530 issued on that day by the assistant treasurer at Boston, in the name of your bank and on account of transfer of funds for $10,000 gold, and asking that 4 per cent. bonds be issued therefor, has been received.

In reply I have to inform you that under the provisions of department's circular of January 21, 1878, copy inclosed, the bonds subscribed for will be issued upon receipt of a proper certificate from your bank stating that the coin has been deposited to the credit of the Treasurer of the United States.

Your bank was designated a United States depositary to receive subscriptions, on the 26th of January, 1878, in accordance with the conditions of the circular mentioned, and the necessary blank certificates and transcripts with printed instructions thereon, sent you.

No transcript or certificate of deposit has ever been received from your bank and it will, therefore, be necessary for you to issue and forward to this office a certificate of deposit for $10,055.89, principal $10,000, interest $55.89; also, to forward transcripts of the Treasurer's general account on the date specified on the form, crediting the Treasurer thereon with the amount of the subscription ($10,055.89), and charging him with the amount of the transfer to the Boston office ($10,000).

The $55.89 should also be transferred to the assistant treasurer, in order to complete the transaction.

Commission on subscriptions are adjusted at the department and paid by check separately.

Upon receipt of the certificate for proper amount as above indicated, the bonds will at once be issued.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 585.

Mr. Sherman to National Bank of Commerce, New York.

[Telegram.]

TREASURY DEPARTMENT, *May* 25, 1878.

NATIONAL BANK OF COMMERCE, *New York:*

Department will be glad to accept your subscription for one million four per cents, and will afford you every reasonable facility in the matter of payment. From the proceeds of the bonds sold, however, the department must meet the payment of bonds which have been or may be called, and it has invariably declined to bind itself to refrain from drawing upon any available funds necessary to meet public disbursements. JOHN SHERMAN, *Secretary.*

No. 586.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
New York, May 25, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Your telegram has been received too late to-day for me to close with the party for whom our proposed subscription was intended.

I trust the assurance of "every reasonable facility being afforded, in the matter of payment," will be equally satisfactory to them as it is to ourselves; but fear that the doubt *as to time of payment* may cause them to decline making the subscription. You will, therefore, please leave the matter open until Monday, when, after conference with them, I will telegraph you.

Yours very respectfully, HENRY F. VAIL, *President.*

No. 587.

Mr. Sherman to Messrs. Hatch and Foote.

TREASURY DEPARTMENT, *May* 27, 1878.

Messrs. HATCH AND FOOTE, *No.* 12 *Wall street, New York:*

GENTLEMEN: Your letter of the 24th instant in which you refer to department letter of July 3, 1877, wherein, as you state, the department agreed to accept in payment for subscriptions to the 4 per cent. loan, called bonds, matured and unmatured, allowing interest up to date of maturity, and charging interest on the 4 per cents up to date of payment, and expressing a desire to make a subscription on these terms, has been received.

In reply, I have to state, that the letter of this department, to which you refer, provided that matured and unmatured called bonds would be received in payment for 4 per cents, and while interest would be allowed on the called bonds to date of their maturity, interest on the 4 per cents would be charged to the same date.

I shall be glad to receive your subscription on these terms, but owing to the fact that the January and July books will close on the 1st proximo for thirty days, only *coupon* called bonds can be received in payment until the 1st of July next.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 588.

Mr. Sherman to Mr. Buckner.

TREASURY DEPARTMENT, *May* 28, 1878.

Hon. A. H. BUCKNER,
Chairman Committee on Banking and Currency,
House of Representatives:

SIR: In connection with my letter of the 24th instant, and in further reply to your letter of the 23d instant, I have the honor to inform you that, upon inquiry of the assistant treasurer at New York, he informed me that, of the amount received by him in payment of the subscriptions to the 4½ per cent. loan, $24,239,100 was in gold certificates, and $100 in gold coin.

The gold coin representing the certificates was already held by the assistant treasurer, and the deposit of the certificates was for all purpose the same as a deposit of like amount of coin. For the remainder of the $35,000,000 referred to, the department has received payment by deposits of coin in a national bank depositary authorized to hold public deposits under section 5153 of the Revised Statutes of the United States, for which deposits ample collateral of United States bonds is held by the department.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 589.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *May* 29, 1878.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Upon receipt of this letter you will please take from the collateral in your hands, held to secure the deposits in the First National Bank of New York on account of subscriptions to the 4½ per cent. funded loan of 1891, all the gold so held, and deposit the same to the credit of the Treasurer of the United States in the name of said bank on account of "transfer of funds account 4½ per cent. loan," issuing therefor the usual certificate in duplicate, and deliver the set to the First National Bank of New York.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 590.

Mr. Hawley to National Bank of Texas, Galveston, Tex.

TREASURY DEPARTMENT, *May* 29, 1878.

CASHIER NATIONAL BANK OF TEXAS, *Galveston, Tex.:*

SIR: Your letter of the 21st instant inclosing certificate of deposit No. 5, issued by your bank May 21, 1878, in the name of J. Dyer, esq., on account of subscription to the 4 per cent. loan, and stating that you would be glad to transfer these funds at once and have the bonds forwarded, has been received.

In reply, I have to inform you that you may deposit the amount of the bonds subscribed for, including accrued interest in coin, with some assistant treasurer of the United States, as a "transfer of funds from your bank," and forward the original certificate of deposit to be issued therefor to this office. Upon receipt of such certificate for proper amount, the bonds will be promptly delivered.

In adjusting your deposit account with the department, you will be credited with the amount of any coin thus deposited by you to the credit of the Treasurer of the United States with any United States assistant treasurer as a transfer from your bank, and it will not be necessary to write to the department each time for authority to transfer.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 591.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *May* 31, 1878.

MESSRS. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: My attention has been attracted to the advance of gold above 101, and to the remarks of the New York papers upon this state of the market. No doubt the chief cause of this is the great demand

made by the syndicate for gold to meet its purchase of 4½ per cent. bonds, and perhaps something is due to the threatened political movements affecting the Presidential office. With the latter we have nothing to do, but it seems to me that we can adopt expedients to prevent a rise caused by Treasury operations.

The sale of four per cent. bonds will be checked by this advance, and distrust in the ability to resume might lead to measures which would delay resumption.

It would appear to be public policy to bring about an equivalency of gold and paper as long as practicable before the day of resumption. A number of expedients have suggested themselves; as first, the deposit of coin in larger sums with national banks in New York or depositary cities, under the banking act; second, the prepayment of coupons with or without accruing interest; third, the free payment of silver dollars, thus practically supplying the demand for coin for customs duties.

Merely suggesting these measures, I have to ask your opinion as to the best mode of preventing your operations under the contract from advancing temporarily the price of gold.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 592.

Mr. Sherman to Merchandise National Bank, Boston, Mass.

TREASURY DEPARTMENT, *May* 31, 1878.

PRESIDENT MERCHANDISE NATIONAL BANK, *Boston, Mass.:*

SIR: I have received your letter of the 28th instant, stating that your bank proposes to furnish the Treasurer of the United States with $50,000 United States bonds, to be held as security for the transmission to the bank of a like amount of the new four per cents for sale by you, the proceeds in currency to be passed to the credit of the department subject to draft and asking, that before acting on this suggestion the rules of the department government these transactions be sent you.

In reply, I have to inform you that the department cannot place bonds in your bank subject to sale, nor can the proceeds *in currency* be placed to the credit of the Treasurer of the United States on account of subscriptions to the loan, as suggested by you.

The law requires payment to be made in coin, and to accommodate subscribers arrangements have been made with the National Bank of Commerce in New York whereby currency drafts can be received by the Secretary of the Treasury on account of subscriptions to the four per cent. loan, and the *coin* value thereof, on the day of collection in New York, be credited to the subscriber.

I inclose herewith department's circular of January 21, 1878, under the provisions of which, if you desire it, and will so inform this office, the bank of which you are president will be designated a United States depositary to receive deposits on account of subscriptions to the 4 per cent. consols of 1907.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 593.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *June* 1, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington :

DEAR SIR: We beg to acknowledge receipt of your favor of the 31st ulto., and have carefully noted its contents. We agree with you that it would be desirable to keep down the premium on gold and counteract as far as possible, by the measures named in your letter, the recent advance. The latter, we are inclined to think is, however, but temporary, and as the settlements for the 4½ per cent. bonds have now so far advanced and further sales are likely to be gradual, so that gold purchases against bonds will hardly affect the market, there is not much danger of the premium going still higher. In fact the market is already less firm and shows a downward tendency. To assist the reaction from the recent advance, it is important that the market should be kept well supplied, and, with this object in view, it would be well to deposit larger amounts of gold with national banks, as suggested by you, and the prepayment now of the interest due in July, and, if necessary, also those up to next January at an early date, would, in our opinion, also be a valuable auxiliary, provided the payment be offered without rebate. If a rebate should be made we doubt whether the offer would be availed of to an extent sufficient to be of any service.

It has been frequently suggested that a gradual withdrawal of the gold certificates would have a very favorable influence on the premium. We think that this measure deserves attention, and we would, therefore, respectfully recommend it to your consideration.

We remain, dear sir, very respectfully, yours,

AUG. BELMONT & CO.

No. 594.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *June* 5, 1878.

MESSRS. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Referring to your letter of the 1st instant, I have to say that were the Assistant Treasurer of the United States to withhold and redeem all gold certificates paid in instead of paying them out again, it would manifestly relieve the gold market, and there would seem to be no objection, unless, possibly, the inconvenience which might attend the receipts of customs in *gold* instead of *gold certificates*.

As regards the anticipation of interest due July 1, the interest on *coupon* bonds might be paid without rebate, but as the interest on *registered* bonds is paid from schedules which cannot be prepared much before July 1, the department cannot anticipate the payment of such interest more than five or six days.

The only feasible way of depositing gold in national banks is by sales of our bonds and deposit of proceeds as now.

I would suggest that you confer with General Hillhouse on this subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 595.

Fifty-ninth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 56.
Secretary's Office.

TREASURY DEPARTMENT,
June 5, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the fifth day of September, 1878, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July 1, 1865, namely:*

$50—No. 59001 to No. 60000, both inclusive.	
$100—No. 101001 to No. 103000, both inclusive.	
$500—No. 69001 to No. 72000, both inclusive.	
$1,000—No. 125001 to No. 130000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2051 to No. 2100, both inclusive.	
$100—No. 16601 to No. 17150, both inclusive.	
$500—No. 9701 to No. 10000, both inclusive.	
$1,000—No. 32201 to No. 33100, both inclusive.	
$5,000—No. 8701 to No. 8900, both inclusive.	
$10,000—No. 16251 to No. 16750, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount outstanding, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 596.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *June 5, 1878.*

U. S. ASSISTANT TREASURER, *New York:*

SIR: I inclose herewith a communication from Messrs. Belmont & Co. in regard to the stringency of the gold market, to which I have replied and requested Mr. Belmont to confer with you as regards the propriety and feasibility of carrying out any of his suggestions. I shall be glad to hear from you on the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 597.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF THE UNITED STATES ASSISTANT TREASURER,
New York, June 7, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th instant, with copy of a communication to you from Messrs. A. Belmont & Co., under date of June 1st, relative to the recent advance in the premium on gold, and suggesting measures to counteract it.

In availing myself of your permission to write to you on the subject, I assume that the advance has been caused by the large amount of gold that has been withdrawn from the usual channels of circulation, in payment for bonds under the recent contract with the syndicate, and the rapidity with which the withdrawal has gone on.

On the thirteenth of April near the date of the contract, the premium on gold was one-fourth of one per cent. On May twenty-eighth, it was one and one-eighth per cent. It is now one per cent. In the intermediate space of time, less than two months, the gold deposited by the syndicate in this office as collateral, or turned over to the Treasury absolutely in payment, amounted to nearly twenty-five millions. Meanwhile there was no demand for gold for export, and indeed no disturbing element affecting the price of gold, other than its absorption by the Treasury. I take it then to be reasonably certain that this movement of gold towards the Treasury, at a rate much faster than the vacuum thus caused in the circulation could be supplied by imports or production, has resulted in a temporary scarcity, and a consequent advance in the premium.

The cause of the difficulty, if it has been correctly stated, would seem to indicate the remedy. If all, or even a portion, of the gold that has been withdrawn from the circulation since April 13 could be restored to it, the premium would, it is very probable, fall to the point at which it stood at that date, unless, meanwhile, the condition of the foreign exchanges should become less favorable. But to return to the circulation gold already in the Treasury, as rapidly as it has been absorbed, would be impracticable, except by resorting to extraordinary and unusual methods, and the exigency is not so pressing as to require this, whilst it would very seriously interfere with the accumulations necessary before resumption. It seems to me, therefore, that to restore to the circulation the gold it has lost, and thus reduce the premium, reliance must be placed on the gain from production and imposts, added to the ordinary coin disbursements, which for July interest alone will exceed twenty millions of dollars.

In determining how the disbursements of coin for the remainder of the year, can be made most conducive to the object aimed at—that is, the parity of gold and currency—the suggestion of Messrs Belmont & Co., to prepay at an early date, and without rebate, the interest due July 1 on the public debt, and, if necessary, that due up to January 1, is worthy of consideration. If the whole, or even the larger part, of the July interest could be paid at once, the effect on the gold market of so large an increase in the supply would no doubt be instantaneous as well as beneficial. But there are difficulties in the way of such a plan which it seems to me could not be easily overcome. No interest can be paid on the registered stock, with or without rebate, until the schedules are received, and, allowing a reasonable time for their preparation and distribution, it would not be more than a week or ten days previous to the date at

which the interest falls due. Then as to the interest on the coupon bonds, the detaching of a coupon injures the negotiability of the bond, an objection that frequently more than counterbalances the gain in interest from the prepayment. It will be seen, then, that a prepayment at this time of the interest due July 1, or later, is not practicable, or practicable only to a limited extent; so that the importance of these payments, as a means of reducing the premium on gold, should be measured by their gradual, rather than their instant, influence in that direction.

The suggestion that it would be well to deposit larger amounts of gold with the national banks, for the purpose of keeping the market well supplied, is obscure as to the source from which the supply is to come. If it is meant that the Treasury should transfer a part of its stock of gold to certain banks, to enable them to meet the wants of the public, such a transfer, if in the nature of a loan or advance, would be equally at variance with the practice of the department hitherto, and the laws defining its powers. On the other hand, if it has reference to the operations of the syndicate, it is hard to see what agency, other than that of the syndicate itself, is required to give it force and effect. If gold, which it might have been better to have retained awhile for the use of the street, has been deposited in our vaults as a collateral, instead of bonds, and thus been withdrawn from the circulation before it was needed in the final settlement, it was by the voluntary act of the syndicate, for, if I am not mistaken, neither the terms of the agreement nor the wishes of the Secretary made it imperative. It has undoubtedly given a temporary firmness to gold, but that is hardly worth mentioning in view of the splendid results that have been secured through the contract; and the error, if it was an error, can be avoided in the future.

The last suggestion, namely, that a gradual withdrawal of gold certificates would have a favorable influence on the premium, I am wholly unable to comprehend. In all coin transactions gold certificates are treated the same as the gold they represent; and a withdrawal of them from circulation, if that is what is recommended, must have the same effect as the withdrawal of an equal amount in actual coin. Or if by the term "withdrawal" is meant a redemption by the Treasury in gold, the operation would result in substituting for the representative of the coin the coin itself, but without affecting the supply one way or the other. On either supposition I cannot see how the premium would be favorably influenced; but it is due to Messrs. Belmont & Co. to say that I have not had an opportunity of conferring with them, and am, therefore, without the benefit of their explanations.

I will only add, that I fully agree with Messrs. Belmont & Co. in the opinion they express as to the future course of gold. The tendency, it seems to me, is towards a lower premium, and if the operations of the syndicate are conducted so as to create no unnecessary perturbation, the exchanges meanwhile remaining in their present favorable condition, I cannot see why resumption may not be accomplished at the time and in the manner so fully explained by the Secretary in his conference with the Committee on Banking and Currency. If not, it will be owing to the impediments placed in his way by influences that should have afforded him aid and comfort.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 598.

Mr. Sherman to Mr. Howe.

TREASURY DEPARTMENT, *June* 15, 1878.

WILLIAM E. HOWE, Esq., *Box* 276, *Milwaukee, Wis.:*

SIR: Your letter of the 12th instant, inquiring whether silver dollars, and greenbacks which have printed on their backs the following: "and is exchangeable for United States 6 per cent. 20 year bonds," &c., will be received at par in payment of subscriptions to the 4 per cent. consols of 1907, has been received.

In reply, I have to inform you that the standard silver dollars are a legal tender for all debts and dues, public and private, except where otherwise expressly stipulated in the contract, and will be received by any assistant treasurer at par in payment for subscriptions to the loan, or on any other account, in unlimited sums.

Concerning the receipt of the "greenbacks" mentioned by you in payment for subscriptions to the loan, or in exchange for bonds, I have to state that the act of Congress approved March 3, 1863, provides that the holders of such notes shall present the same for the purpose of exchanging them for bonds as provided in the act authorizing their issue on or before July 1, 1863, *and thereafter the right to so exchange the same shall cease and determine*, and the department has therefore no authority to receive them in exchange for, or in payment of, United States bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 599.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *June* 19, 1878.

CONANT, *London:*

Deliver to Rothschild & Sons $300,000 4½ per cent. bonds paid for here. SHERMAN.

No. 600.

Sixtieth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 62.
Secretary's Office.

TREASURY DEPARTMENT,
June 20, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the twentieth day of September, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, DATED *July* 1, 1865, *namely:*

$50—No. 60001 to No. 62000, both inclusive.
$100—No. 103001 to No. 106000, both inclusive.
$500—No. 72001 to No. 74000, both inclusive.
$1,000—No. 130001 to No. 135000, both inclusive.
Total coupon..... $5,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870, as follows:

$50—No. 2101 to No. 2200, both inclusive.	
$100—No. 17151 to No. 17600, both inclusive.	
$500—No. 10001 to No. 10200, both inclusive.	
$1,000—No. 33101 to No. 33700, both inclusive.	
$5,000—No. 8901 to No. 9100, both inclusive.	
$10,000—No. 16751 to No. 17100, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 601.

1878.
Department No. 58.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., June 20, 1878.

The Secretary of the Treasury calls attention to the four per cent. funded loan of the United States now offered by this department in denominations, viz: for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000 $5,000, and $10,000, at par and accrued interest to date of subscription, in coin.

The bonds are redeemable July 1, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions. Commissions will be paid by check only, and will not be applied in payment of subscriptions.

All national banks are now invited to become financial agents of the government and depositaries of public moneys received on the sale of these bonds, upon complying with Section 5153, Revised Statutes of the United States. All banks, bankers, and persons are invited to aid in placing these bonds, and can make their arrangements through national banks for the deposit of the purchase money of the bonds.

The proceeds of the sale of these bonds will, until further notice, be only used in the redemption of 5-20 six per cent. bonds of the United States, under the refunding act.

As soon as the four per cent. bonds are paid for by certificates of deposit of such public depositaries, or otherwise, a call will issue maturing within ninety days for the redemption of six per cent. bonds, and

the money received for four per cent. bonds will remain on deposit until such call matures.

Payment for the bonds may be made in coin, coin certificates, certificates of deposit of government depositaries, called bonds, coupons maturing within thirty days, or in currency drafts on New York, in my favor, which will be received at the coin value thereof at the National Bank of Commerce, New York. Any payment in excess will be returned with the commission.

All coin and currency drafts on New York should be forwarded directly to this department by subscribers, or their agents.

The favorable state of the money market induces the Secretary to press upon the people this loan by which they can obtain direct from the government a national bond of the highest credit and sanction, exempt from taxes, and payable, principal and interest, in coin. Every citizen of the United States is interested in the success of this loan, as every sale of these bonds enables the government to save one-third of the interest on an equal amount of outstanding debt to be redeemed. These bonds should be the storehouse for the savings of the people. No facility or advantage will be given to large subscribers. It is the interest of the public that the bonds be distributed in small sums among the largest number of our fellow-citizens.

Subscriptions to an amount equal to the bonds now redeemable would make an annual saving of $8,961,632, and such subscriptions can now be made without withdrawing from circulation any of the money of the people.

All blanks, or forms, or information needed, will be furnished by the department without cost. JOHN SHERMAN, *Secretary.*

No. 602.

Mr. Sherman to Louisville Banking Company, Louisville, Ky.

TREASURY DEPARTMENT, *June* 21, 1878.

PRESIDENT LOUISVILLE BANKING COMPANY,
Louisville, Ky.:

SIR: Your letter of the 17th instant, asking when the department will commence to receive greenbacks in payment for four per cent. bonds, and if your draft upon your New York correspondent will be received in lieu of legal-tender notes; also, whether the bonds will be delivered to you free of cost, and if the department will constitute your bank as an agent of the government to receive deposits on account of subscriptions, has been received.

In reply, I have to inform you—

1st. That there is no provision of law for issuing the bonds for legal-tender notes.

2d. As provided in department's circular of June 20, 1878, copy inclosed herewith, currency drafts payable to the order of the Secretary of the Treasury can be received on account of subscriptions to the loan, and the coin value thereof on the day of collection in New York will be credited to the subscribers.

3d. The bonds subscribed for will, upon the receipt of the full payment, be transmitted free of charge to the subscribers.

4th. Subscriptions to the loan are received only at the department, and through the sub-treasury offices and national banks which have

been designated as public depositaries under section 5153 Revised Statutes of the United States. As only *national* banks can be designated, no authority can be given your bank to receive the subscriptions as suggested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 603.

Mr. Sherman to the People's National Bank, Rock Island, Ill.

TREASURY DEPARTMENT, *June* 21, 1878.

CASHIER PEOPLE'S NATIONAL BANK,
Rock Island, Ill.:

SIR: In reply to your letter of the 12th instant, stating that your bank would purchase four per cent. consols of 1907 to the amount of twenty-five or fifty thousand dollars, provided you could get them for currency, I have to inform you that there is no authority of law for issuing the bonds for legal-tender notes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 604.

Mr. Sherman to Merchandise National Bank, Boston, Mass.

TREASURY DEPARTMENT, *June* 21, 1878.

PRESIDENT MERCHANDISE NATIONAL BANK, *Boston, Mass.:*

SIR: Your letter of the 12th instant, inquiring whether, in case your bank becomes a depositary to receive subscriptions on account of the four per cent. loan, you could be assured that the deposit would remain for a fixed time in the bank, and whether such deposit is exempt from tax or the necessity of a reserve, has been received. In reply, I have to inform you that as soon as the four per cent. bonds are paid for by certificates of deposit or otherwise a call will issue, maturing within ninety days, for the redemption of six per cent. bonds, and the money received for four per cent. bonds will remain on deposit until such call matures.

Under the provisions of the third paragraph of department's circular of January 21, 1878, the bonds subscribed for will be issued upon the receipt of a proper certificate from the bank, stating that the coin has been deposited to the credit of the Treasurer of the United States, but they will be held by the department as security until other United States bonds of an equal amount are substituted in their stead or the coin deposited has been paid upon Treasury drafts or transferred to a subtreasury office.

There is no tax on balances to the credit of the Treasurer of the United States in national banks, nor is a reserve fund required to be kept on account of said balances.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 605.

Mr. Sherman to Third National Bank, Cincinnati, Ohio.

TREASURY DEPARTMENT, *June* 25, 1878.

G. P. GRIFFITH, Esq.,
Vice-President Third National Bank, Cincinnati, Ohio:

SIR: Your telegram of the 24th instant, asking whether the bonds now held by the Treasurer as security for deposits in your bank will answer as security for deposits on account of the four per cent. loan, and, if not, whether you can place $50,000 United States coupon bonds with the assistant treasurer at New York, get your receipt therefor, and become a United States depositary for the sale of four per cent. bonds, has been received. In reply, I have to inform you that it is not deemed practicable to use the security bonds now held by the Treasurer of the United States for the purpose mentioned, but if you desire it, and will so inform this office, your bank will be designated a United States depositary to receive deposits on account of subscriptions to the four per cent. consols of 1907, in accordance with the conditions of department's circular of January 21, 1878, copy inclosed, and the necessary blank transcripts and certificates sent to you without delay.

You are hereby authorized to deposit with the assistant treasurer at New York any United States bonds you may desire to furnish as security for deposits on account of subscriptions to the loan.

I also inclose for your information copy of department's circular of June 20, 1878.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 606.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *June* 27, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are prepared to purchase from you *twenty million dollars of the 4 per cents*, if you will accord us the privilege to purchase each and every month, from and after August next, the sum of ten millions in like bonds; no sales to be made, however, by the Treasury, unless no bonds are taken under the privilege asked for.

This proposition is made in good faith, and we trust will be acted upon in like manner.

A prompt reply will oblige,

Yours, very respectfully, KUHN, LOEB & CO.

No. 607.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT,
Washington, D. C., June 28, 1878.

Messrs. KUHN, LOEB & Co., *New York:*

GENTLEMEN: I have to acknowledge the receipt of your letter of yesterday, in which you propose to purchase $20,000,000 4 per cent. bonds, if this department will accord you the privilege of purchasing each and

every month, from and after August next, the sum of $10,000,000 of like bonds, no sales to be made by the Treasury unless no bonds are taken under the privilege asked for.

As your proposition conflicts with the policy adopted for selling these bonds only by popular subscriptions upon the same terms to all alike, I am not at liberty to accept your offer upon the terms stated, but the department will be happy to extend to you every facility that is granted to any other purchaser in the sale of these bonds, and trusts to have your hearty co-operation in placing them.

Inclosed I send you the last circular issued by the department in regard to this matter, and invite your attention to the marked passages.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 608.

Mr. Hawley to Mr. Smith.

TREASURY DEPARTMENT,
Washington, D. C., July 2, 1878.

EVERETT SMITH, Esq., *Schenectady, N. Y.:*

SIR: In reply to your letter of the 29th ultimo, asking if payment for 4 per cent. bonds can be made in silver or silver certificates, I have to inform you that the standard silver dollars and the silver certificates will be received by any sub-treasury officer, on above account, in unlimited sums.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 609.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

31 NASSAU STREET, NEW YORK, *July* 9, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury,*
Present:

SIR: We have yet to reply to your favor of the 28th ultimo, of which we inclose copy, as its contents may not be any more in your memory.

We note that our offer is declined for the reason that "the sale of the four per cents to any syndicate is not in harmony with the policy adopted by you of selling these bonds only by popular subscriptions, upon the same terms to all alike."

While we can understand and appreciate your motives, we would say, that, if you find it hereafter more advantageous for the public interest to intrust the sale of the bonds to any combination of banks and bankers, we would request you to notify us, as we think we are in a position to offer exceedingly favorable terms to the government. At this time we would engage to take on behalf of ourselves and our associates fifty millions of the four per cents, if the privilege of taking the balance of the loan is intrusted to our syndicate for a given time.

Very respectfully, KUHN, LOEB & CO.

No. 610.

Assistant Treasurer United States, Chicago, to Mr. Sherman

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Chicago, Ill., July 8, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: Permit me to make an unofficial report touching gold and resumption.

During last week the interest payments of this office were very much larger than ever before for the same number of days, both in bulk and in the number of payees, especially the latter. I have taken occasion, as I could without impertinence, to inquire into the sentiment of the payees, and find that as a rule they would prefer United States notes, provided there were no premium on coin. The use of subsidiary silver seems to have wrought a very considerable change in the feeling toward metallic money.

Our interest payments show another thing. Instead of sending coin from New York coin checks are sent, the difference between this and previous months being very marked. In conversation with bankers and business men I find the feeling to be almost unanimous that the bridge of resumption has been reached, and the sooner it has been crossed the better. Men of every shade of financial opinions hitherto seem to be agreed herein. I take the liberty to make these statements upon the supposition that the actual amount of coin requisite for resumption purposes is somewhat dependent upon the popular sentiment toward specie, and I can correctly sum up the impression produced upon my mind by official experience by saying that paper money is more to the taste of the people than coin, and that, the present margin wiped out, a very considerable percentage of our interest payments would be made in paper money.

Most respectfully,

FRANK GILBERT
Assistant Treasurer of the United States.

No. 611.

Sixty-first call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 73.
Secretary's Office.

TREASURY DEPARTMENT,
July 11, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 11th day of October, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1865, namely:*

$50—No. 62001 to No. 65000, both inclusive.
$100—No. 106001 to No. 110000, both inclusive.
$500—No. 74001 to No. 76200, both inclusive.
$1,000—No. 135001 to No. 140000, both inclusive.
Total coupon $2,500 000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2201 to No. 2250, both inclusive.
$100—No. 17601 to No. 17850, both inclusive.
$500—No. 10201 to No. 10450, both inclusive.
$1,000—No. 33701 to No. 34400, both inclusive.
$5,000—No. 9101 to No. 9250, both inclusive.
$10,000—No. 17101 to No. 17730, both inclusive.

Total registered	2,500,000
Aggregate	5,000,000

The amount outstanding, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 612.

Mr. Groesbeck to Mr. Sherman.

CINCINNATI, *July* 12, 1878.

Hon. JOHN SHERMAN, *Secretary:*

MY DEAR SIR: I will be much obliged to you if you will send to me by the 18th instant, at the Buckingham Hotel, 5th avenue, New York City, a statement over your official signature, as to the time we are to resume specie payments and as to the certainty of its being done. I would like also your views upon the matters confided to the monetary commission, if you are disposed to give them.

The first statement referring to resumption, would, I suppose, be incorporated into the proceedings of the conference.

I consider it important that we should be able to assure the conference that the United States will resume by the time fixed, and should therefore be regarded by the conference as not in a state of suspicion. Her position as a specie-paying nation will be much stronger than it would be otherwise.

Hoping I may hear from you while I am at the Buckingham, I am,
Very respectfully, W. S. GROESBECK.

No. 613.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
LONDON, E. C. ENGLAND, *July* 13, 1878.

DEAR MR. SECRETARY: I was very glad indeed to receive your favor of the 26th instant.

There is little of interest concerning our bonds that is transpiring here that I can mention. We have delivered up to date $5,283,000, and

have $150,000 to deliver, that Belmont & Co. have paid for in New York I take it for granted that the $50,000,000 contract for the 4½ per cent. bonds is nearly ended. The New York associates have, I understand, sold to such an extent that only about one million more can be delivered here to complete the fifty million. I think it would be an excellent idea and good policy to allow sales of the four and one-half per cent. bonds to be continued here against (and to the extent only) of called bonds and coupons maturing here. It would prevent an equal amount in gold from leaving the country, and to the same extent aid resumption.

Movements in the money market that are incidental to this season are now over, and the market rates of discount which advanced fully one-half of 1 per cent. last week, have receded quite as much during the week. The discount houses have reduced their rate fully ½ per cent. There has been no shipment of gold during the week, and the supply of money it may be said is more than equal to the demand.

There has been a good deal of activity in the market in our railroad securities within the past few days. The conclusion of the peace congress has had its effect upon the market, causing a better and more secure feeling.

A great many business men here and in Liverpool have suffered heavy losses through the decline in grain and breadstuffs, and there is some apprehension that more failures are to come, several from that cause having already occurred. The expectation that rates of interest will rule low for some months to come is inducing speculators to force up the prices of stocks, especially Russian, Turkish, Egyptian, and railroad securities; and also to create some activity in the market for classes of stocks known as "rubbish." Speculators deal mostly in the classes of stocks which have no intrinsic value, but which by "corners" and through various kind of manipulations they can force a rise in of 25 per cent. or depreciate them to the same extent, whenever they find it in their interest so to do.

There are many new loans talked about, and if the price of money shall continue cheap undoubtedly some of these loans will be placed in this market, because they will afford excellent opportunities to speculators to make money; but in the end they will prove to have been *traps* in which many poor investors will be found caught. In addition to the Russian loan, which I have before mentioned, of £40,000,000 (probably representing not more than one-third of the cost of the war), a Greek loan is mentioned, and also sundry loans for Austria, Hungary, Turkey, and Spain, and I presume there will be no end of railway projects. On Thursday French five per cent. rentes were advanced in this market to 115.50, the highest price ever reached. I inquired of a banker why it was that French 5 per cent. rentes were worth more in this market than United States 5 per cent. funded bonds, the difference being £5 per cent. on £100 in favor of the former, and he answered that it was due to the fact that French credit was better than American credit because of the traditional honesty and good faith of the French people in preserving their national integrity and credit. A word uttered by any one at any time and under any circumstances, in the history of France, against the national faith and the national pledges, would have been considered a greater crime, and have received harsher treatment than the utterances of treason, or attempts at conspiracy. The French nation has in times of revolution, and even at times when it had no recognized government, always found it possible to borrow money. The insincerity and reckless demagogueism of many of our political leaders afford a painful contrast to the financial honor and integrity of French people.

But I find another reason why the French 5 per cent. rentes are higher than our 5 per cent. funded bonds. It is because they are not redeemable like ours at par; they are convertible into three per cents at a figure which is about equivalent to the present value. Still another reason is given for the present advance in the price of these rentes. It is said that it has been brought about through arrangements which are being made for the issue of a new French railway loan, to be placed in installments, the total amount of which is to reach twenty millions. One of the French financial papers says that this loan is to be placed in a peculiar way, viz: Instead of fixing a minimum price for the bond and allotting the loan to the highest bidders, the bonds are to be retailed on the market from day to day at the current market price.

A Portugese loan is now being offered here to subscribers. It was offered one year ago, and was not then successful. The amount is £2,500,000, with interest at 3 per cent. The stock is offered at 50 per cent. Portugal, it is said, has borrowed money abroad at the rate of nearly £2,000,000 per annum since 1867. In a paper read by Mr. Giffin, who is considered high authority, before the statistical society in January last, he said that the accumulation of capital in the United Kingdom had averaged during the past ten years £240,000,000 per annum. There would seem, therefore, to be practically no limit to the capacity of this market to absorb loans. The trade and navigation returns, published on Monday last, for the month of June, and also for the six months ending in June, show that stagnation still continues in almost every branch of business. The total value of both imports and exports show a reduction on the corresponding period of last year. For the six months of the current year the imports of merchandise have amounted to £189,648,000 as against £195,448,000 in the corresponding period of 1877, and the exports of merchandise have amounted to £94,660,000, as against £95,234,000. In regard to the imports it may be said that nearly the same quantity has been imported this year that was brought in last year, but at a very great reduction in cost, especially in wheat and grain and many articles coming from the United States. This is an item which should be taken into account in any calculations respecting our exports. I observed in one of our home newspapers that at the last session of Congress a resolution was passed providing for the appointment of a committee to examine into and report upon the cause of the depression of business, &c., in the United States. In one of my letters, written in the early winter, I mentioned the appointment by the chamber of deputies and the senate of France of a committee or a commission to inquire into the cause of the depression of trade, &c., in that country. The committee has made its report, and, although I have not seen it, I am told that one of the reasons assigned by it for the depression of business then existing was *American competition* in manufactured goods, a thing which many other nations are complaining of just now.

I inclose herewith a slip from the American Register, a journal published here and in Paris, referring to the sale of American prints in Manchester.

* * * * * * *

I have no comments to make upon it. Agencies can be found here for the sale of all descriptions of American manufactures, and I am informed that their business is constantly increasing. Some of the newspapers here recently commenting upon the exports and imports of the United States for the last ten months * * * remark, that the increase in our exports seemed to be confined principally to grain, cotton,

and produce; that the returns did not exhibit any marked increase in manufactured articles, and out of that circumstance they appear to derive some consolation.

The Statist said: "A good deal of interest attaches to these returns in England, for the fear is always before the mind of the English manufacturers that a great start is to be made sooner or later by American competitors in foreign markets."

It rather seems to me that in having surplus products of the earth to export a nation has as great an element of real prosperity as it could possibly possess. Great Britain has to import, is compelled from circumstances to do so, the articles of food on which about one-half of her pupulation subsists.

In payment for the same she must exchange to a great extent her manufactures. I do not believe that at the present time our people have any other cause of complaint of depression in business than that which grows out of and is directly traceable to the silver agitation, inflation heresies, and to the continual agitation of them.

Therefore the committee appointed by the late Congress to investigate the subject ought to come together at once, and without division or separation declare to the effect that the business industries of the country have been suffering by reason of the inflation heresies promulgated by demagogues, and particularly by reason of the financial legislation of the late Congress.

The gold coinage of France for the year 1877 was £10,207,246, and of England, from its home and colonial mints, £3,289,241. The English gold coinage is now nearly all done in Australia. The following facts about the German stock of silver were brought out before the financial committee of the Reichstag, viz: At the end of March 970,000,000 marks in silver, and 91,000,000 marks in gold of the old coinage, had been withdrawn, a total of 1,061,000,000. The mint has coined 1,579,700,000 marks of gold and 425,500,000 marks of silver, a total of 2,005,200,000. It has sold 450,000,000 marks of old silver, and has still to dispose of 400,000,000 marks more, that amount, it is said, being still in circulation. The loss on the silver sold has amounted to 62,500,000 marks, and it is estimated that the loss will be equally as great on that which yet remains to be sold. I observe that the price of gold in New York has considerably receded, and that it is now below the point at which it stood at the time the contract for the sale of the 4½ per cent. bonds was made in April last. I have no doubt but that since the date just mentioned, which may be considered as the commencement of the active period of preparation for resumption, the premium which has ruled on gold has been of advantage to us. The premium made it an inducement for the banks to retain their stock of gold, and it may be said that in that way it gave employment to a currency which, owing to the peculiar condition of affairs then existing, could not have found employment as a part of the currency of the country. Now that the Treasury has nearly completed its arrangements for resumption the sooner the difference between gold and paper disappears the better for the country. I hope that Congress has not tied your hands by any legislation which will prevent you from contracting, in some manner, the paper issues to the extent necessary to enable you to *maintain* resumption.

I remain your obedient servant, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 614.

Mr. Sherman to Mr. Groesbeck.

TREASURY DEPARTMENT,
Washington, D. C., July 15, 1878.

WILLIAM S. GROESBECK, Esq.,
Cincinnati, Ohio:

DEAR SIR: Your letter of the 12th instant was received during my temporary absence, and I comply with your request with pleasure.

Accompanying this I send you sundry documents, duly scheduled, which contain in detail the law and my views on the resumption question.

Among these papers is a letter from the Treasurer of the United States, of date July 6, showing the exact coin on hand for all purposes, a careful examination of which will prove to you our ability to resume at the time fixed by law.

It will be perceived that we have on hand in the Treasury coin enough to cover all our coin liabilities of every name and nature, and also thirty-five per cent. of the aggregate amount of United States notes outstanding, with an excess of $2,474,822. We have also $7,136,529 of fractional silver coin, which will be used for current expenses.

Of the United States notes outstanding, at least sixty millions are held in the Treasury either as the property of the United States or as special funds for purposes prescribed by law, which cannot readily be diminished.

In addition, the Secretary is authorized to sell bonds for the purchase of coin or bullion, and he may use United States notes for the same purpose. Our revenue, both in coin and currency, is more than sufficient to pay all current expenses covered by the appropriations of Congress.

Considering that the United States notes are scattered over a vast country, are in great favor and demand, and extremely popular, I feel entire confidence in the ability of the Treasury to resume on the 1st of January next, and the leading bankers and brokers of New York are of the same opinion.

I know of nothing that can prevent the United States from taking its place among the specie-paying nations at that time, except the possible repeal by Congress of the resumption act, and this I do not anticipate.

Very respectfully, JOHN SHERMAN, *Secretary.*

[Inclosure to Mr. Sherman's letter of July 15, 1878, to Mr. Groesbeck.]

TREASURY OF THE UNITED STATES,
Washington, D. C., July 6, 1878.

SIR: In accordance with your verbal request, I have the honor to advise you that on June 30, 1878, there were in the Treasury as follows:

Gold coin	$161,343,914	
Standard dollars	6,887,948	
Gold bullion	6,099,439	
Silver bullion	5,891,201	
		$180,222,502
Fund for the redemption of U. S. notes, say 35 per cent. of $346,618,016 outstanding legal tenders		121,000,000
Coin in excess of redemption fund		59,222,502

Of which there will be required for the following payments:		
Unmatured calls of five-twenty bonds	$23,850,000	
Coin certificates outstanding on that date, $44,367,000, less $19,469,320 redeemed and in the Treasury	24,897,680	
Principal of debt estimated to be due and unpaid on that date	4,000,000	
Coin interest estimated to be due and unpaid on that date	4,000,000	
		$56,747,680
Excess		2,474,822

The gold coin on hand, stated above at $161,343,914, does not include redeemed gold certificates or any other coin item, but is actual gold coin.

There was also in the Treasury on that date $7,136,529 in fractional silver coin.

Very respectfully,

JAS. GILFILLAN, *Treasurer United States.*

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 615.

Mr. Sherman to Mr. Groesbeck.

TREASURY DEPARTMENT,
Washington, D. C., July 15, 1878.

WILLIAM S. GROESBECK, Esq., *Cincinnati, Ohio:*

DEAR SIR: To that part of your letter of the 12th instant in which you ask my views of the matter confided to the monetary commission, I have some delicacy in replying very fully.

During the monetary conference in Paris, when silver in our country was excluded from circulation by being undervalued, I was strongly in favor of the single standard of gold, and wrote a letter which you will find in the proceedings of that conference stating briefly my view. At that time the wisest among us did not anticipate the sudden fall of silver or the rise of gold that has occurred. This uncertainty of the relation between the two metals is one of the chief arguments in favor of a monometallic system, but other arguments showing the dangerous effect upon industry of dropping one of the precious metals from the standard of value outweigh, in my mind, all theoretical objections to the bi-metallic system.

I am thoroughly convinced that if it were possible for the leading commercial nations to fix by agreement an arbitrary relation between silver and gold, even though the market value might vary somewhat from time to time, it would be a measure of the greatest good to all nations. My earnest desire is that you may succeed in doing this.

You are so well informed upon the subject that it is not worth while for me to enlarge upon it. The statements and documents sent you by the Director of the Mint will give in authentic form most of the material facts which bear upon the question, and your own investigations on the silver commission will, I am quite sure, supply any deficiency.

Very truly, yours, JOHN SHERMAN, *Secretary.*

(Sent to Buckingham Hotel, Fifth avenue, New York.)

No. 616.

Mr. Sherman to the Attorney-General.

TREASURY DEPARTMENT, *July* 16, 1878.

Hon. CHARLES DEVENS, *Attorney-General:*

SIR: I have the honor to inclose herewith a copy of a letter from General Thomas Hillhouse, assistant treasurer of the United States at New York, asking orders as to whether United States notes can be received as collateral security from national banks made depositaries of public money.

The question arises whether, under section 5153 Revised Statutes, it is within the discretion of the Secretary of the Treasury to receive from national banking associations designated as such depositaries, a deposit of United States notes to secure the safe keeping and prompt payment of the public money held by them, and I have to ask your opinion upon this point.

Very respectfully JOHN SHERMAN, *Secretary.*

No. 617.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *July* 16, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 12th instant is received. You are, until further notice, authorized to receive not only from the First National Bank, but from all national banks duly authorized under section 5153, as public depositaries, United States notes as well as United States bonds, as collateral security for bonds delivered to the banks.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 618.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *July* 16, 1878.

GEORGE F. BAKER, Esq.,
President First National Bank, New York:

SIR: Referring to a conversation had with you when in New York, concerning the payment into the Treasury prior to, or by October 1st next, of a sufficient amount of coin to satisfy all of your bank certificates of deposit on account of 4½ per cent. subscriptions under contract of April 11, 1878, I have to say that I will expect this to be done on or before the time stated, and shall depend upon the coin being then in the Treasury.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 619.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

WASHINGTON, *July* 17, 1878.

CONANT, *London:*

Halifax award need not be paid until November, probably by sale of bonds in London at that time. Too early to act now.

SHERMAN.

No. 620.

Sixty-second call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 75.
Secretary's Office.

TREASURY DEPARTMENT,
July 17, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 17th day of October, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 65001 to No. 68000, both inclusive.	
$100—No. 110001 to No. 114000, both inclusive.	
$500—No. 76201 to No. 79500, both inclusive.	
$1,000—No. 140001 to No. 145000, both inclusive.	
Total coupon	$2 500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2251 to No. 2300, both inclusive.	
$100—No. 17851 to No. 18250, both inclusive.	
$500—No. 10451 to No. 10550, both inclusive.	
$1,000—No. 34401 to No. 35200, both inclusive.	
$5,000—No. 9251 to No. 9650, both inclusive.	
$10,000—No. 17731 to No. 18463, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 621.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, July 17, 1878.

SIR: I beg to acknowledge receipt of yours of the 16th instant, and to say that we shall be pleased to comply with your wishes regarding payments into the Treasury on account of subscriptions to the 4½ per cent. bonds.

Our idea is to divide the payments about equally during the next three months, commencing with the present.

Your obedient servant, GEO. F. BAKER, *President.*

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 622.

The Director of the Mint to Mr. Sherman.

TREASURY DEPARTMENT,
Office of the Director of the Mint,
Washington, D. C., July 17, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: It seems proper that I should call your attention to some legislation enacted during the recent session of Congress which bears upon the operations and business of the mints and assay-offices.

On the 8th of June last, an act, as follows, was approved, viz:

That the Secretary of the Treasury be, and he is hereby, authorized to constitute any superintendent of a mint or assayer of an assay-office, an assistant treasurer of the United States without additional compensation to receive gold coin and bullion on deposit for the purposes provided for in section two hundred and fifty-four of the Revised Statutes.

If you should think proper to constitute under authority of the above law, the assayer in charge at Denver, Colorado; Helena, Mont.; Boise, Idaho; and Charlotte, N. C., or either of them, an assistant treasurer to receive gold coin and bullion on deposit for the purposes provided in section 254 of the Revised Statutes, it will be necessary to increase the bonds of those officers from $10,000, the present amount, to say $30,000, and to place at the institution at which you may authorize coin and bullion to be received, a bullion fund in the form of coin notes.

Deposits, under the provisions of law referred to, would no doubt consist chiefly of crude, or unparted bullion, and which would, from time to time, have to be transferred to the Philadelphia mint for parting and coinage. This would involve a deduction from the gross value of the bullion, a parting charge, and the cost of transportation, and the issuing of the coin notes for the *net* value.

I should add that the coin notes to be issued for gold bullion deposited at any of the assay-offices above-named, should be made redeemable at the subtreasury in New York City; and this, for the reason that the proper facilities for the storage and safe-keeping of any considerable amount of the bullion which may be received, do not exist at those institutions. As the coin which would result from the bullion received would correspond with the coin notes issued therefor, it would only be necessary to transfer the same from time to time from the bullion fund of the mint to the assistant treasury at New York.

Paragraph 7, page 16, of an act entitled "An act making appropriations for the legislative, executive and judicial expenses of the government for the fiscal year ending June 30, 1879, and for other purposes," contains the following provision, viz:

> And for the purpose of enabling the several mints and assay-offices of the United States to make returns to depositors with as little delay as possible, the provision of section thirty-five hundred and forty-five of the Revised Statutes of the United States, shall hereafter apply to the several mints and assay-offices of the United States; and the Secretary of the Treasury is hereby authorized to use, as far as he may deem it proper and expedient, for payment to depositors of bullion at the several mints and assay-offices, coin certificates, representing coin in the Treasury, and issue under the provisions of section two hundred and fifty-four of the Revised Statutes of the United States; all of said acts and duties to be performed under such rules and regulations as shall be prescribed by the Secretary of the Treasury.

This provision of law authorizes, if it does not require, a bullion fund to be kept at the several assay-offices hereinbefore referred to, for the purpose of making payment to depositors in gold coin, instead of returning to them in the form of stamped bars, the identical bullion deposited, as provided in the coinage act of 1873; and it also authorizes the use of coin notes as a part of the bullion fund.

In carrying this provision of law into effect at any and all of the institutions named, it will be necessary to deduct from the coinage value of the bullion any charge to which it may be subjected under the law, and also the cost of transportation.

As silver, under the law, can only be *deposited* for returns in fine or unparted bars and not in coin, and as it would be impracticable, as well as of no local advantage whatever, to furnish fine silver bars, no provision need be made for making returns in fine silver bars, nor would it be practicable or of any advantage to depositors to provide fine gold bars as a part of the bullion fund.

If this last act is to be carried into effect, it must be held to repeal section 3558 of the Revised Statutes of the United States, as follows:

> The business of the United States mint at Denver, while conducted as an assay-office, that of the United States assay-office at Boisé City, and that of any other assay-offices hereafter established, shall be confined to the receipt of gold and silver bullion for melting and assaying, to be returned to depositors of the same, in bars, with the weight and fineness stamped thereon.

In bringing this new legislation to your attention, I have confined myself to a brief statement of the general features and requirements of the same, and hold myself in readiness to furnish any details which you may deem necessary.

I have the honor to be, very respectfully, &c.,

H. R. LINDERMAN, *Director of the Mint.*

No. 623.

The Attorney-General to Mr. Sherman.

DEPARTMENT OF JUSTICE,
Washington, July 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: Your letter of the 16th instant suggests the inquiry whether under section 5153 of the Revised Statutes it is within the discretion of the Secretary of the Treasury to receive from national banking associa-

tions designated as depositaries of public money a deposit of United States notes to secure the safe-keeping and prompt payment of the public money held by them.

The section in question, after providing that "all national banking associations designated for that purpose by the Secretary of the Treasury, shall be depositaries of public money, except receipts from customs, under such regulations as may be prescribed by the Secretary," and that "they may also be employed as financial agents of the government," contains the following clause: "The Secretary of the Treasury shall require the associations thus designated to give satisfactory security, by the deposit of United States bonds and otherwise, for the safe-keeping and prompt payment of the public money deposited with them, and for the faithful performance of their duties as financial agents of the government."

In my opinion, the words "and otherwise" will permit the Secretary of the Treasury to receive as collateral security from such national banking associations money securities of the United States of the same general character as its bonds, and will permit the Secretary to receive therefor Treasury notes of the United States as collateral security for the performance of the obligations of such association.

Very respectfully, your obedient servant,

CHAS. DEVENS, *Attorney-General.*

No. 624.

Mr. Fahnestock to Mr. Sherman.

NEW YORK, *July* 19, 1878.

DEAR MR. SECRETARY: Observing a press dispatch concerning your conference with the Attorney-General, I write to say that whatever you do in the way of coin disbursements will be most useful between the present date and July 30, when the first of the recent calls matures. The large sales of 4s necessitates constant purchases of gold in this market, and, the supply being small, the premium keeps firm. To-day all the business has been at $100\frac{9}{16}$.

Our sales of 4s are large this week, and we shall have to take a further amount in a day or two.

Yours, truly,

H. C. FAHNESTOCK.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 625.

Circular No. 22.—Distribution of standard silver dollars.

1878.
Department No. 76.
Treasurer's office.

TREASURY OF THE UNITED STATES,
Washington, July 19, 1878.

For the present the following-named national banks, designated depositaries of the United States, will be supplied by the Treasury, upon their application, with standard silver dollars from the Mint, free of expense.

It is expected that the coin furnished as above will be put into circu-

lation in exchange for United States and national bank notes, in lieu of one and two dollar notes, by being furnished to public disbursing officers, to manufacturing and other establishments and persons, for use in place of small notes; to other banks and bankers for distribution in like manner by them, and for all purposes as currency, but not directly for the purpose of being used in making those payments to the government which are required to be made in coin.

The assistant treasurers of the United States, except the assistant treasurer at San Francisco, are also authorized to use the standard silver dollars in their vaults for the purposes approved in this circular.

United States disbursing agents and paymasters who obtain funds for disbursement from assistant treasurers or depositaries are requested to procure standard silver dollars, when practicable, for disbursement in lieu of small notes.

JAS. GILFILLAN,
Treasurer United States.

LIST OF BANKS.

Granite National Bank of Augusta, Me.
First National Bank of Bangor, Me.
Merchants' National Bank of Portland, Me.
First National Bank of Concord, N. H.
First National Bank of Manchester, N. H.
First National Bank of Portsmouth, N. H.
Merchants' National Bank of Burlington, Vt.
Boston National Bank of Boston, Mass.
Massasoit National Bank of Fall River, Mass.
First National Bank of New Bedford, Mass.
First National Bank of Newburyport, Mass.
Adams National Bank of North Adams, Mass.
Third National Bank of Springfield, Mass.
First National Bank of Worcester, Mass.
First National Bank of Newport, R. I.
First National Bank of Providence, R. I.
First National Bank of Bridgeport, Conn.
Charter Oak National Bank of Hartford, Conn.
Second National Bank of New Haven, Conn.
Thames National Bank of Norwich, Conn.
Merchants' National Bank of Albany, N. Y.
First National Bank of Binghamton, N. Y.
Nassau National Bank of Brooklyn, N. Y.
Farmers and Mechanics' National Bank of Buffalo, N. Y.
Second National Bank of Elmira, N. Y.
Middletown National Bank of Middletown, N. Y.
Second National Bank of New York, N. Y.
Central National Bank of New York, N. Y.
National Bank of Commerce in New York, N. Y.
First National Bank of Oswego, N. Y.
Fallkill National Bank of Poughkeepsie, N. Y.
Flour City National Bank of Rochester, N. Y.
Third National Bank of Syracuse, N. Y.
First National Bank of Seneca Falls, N. Y.
First National Bank of Troy, N. Y.
Second National Bank of Utica, N. Y.
First National Bank of Allegheny, Pa.
First National Bank of Altoona, Pa.
First National Bank of Erie, Pa.
Keystone National Bank of Erie, Pa.
First National Bank of Franklin, Pa.
Farmers' National Bank of Lancaster, Pa.
First National Bank of Philadelphia, Pa.
Centennial National Bank of Philadelphia, Pa.
Corn Exchange National Bank of Philadelphia, Pa.
Tradesmen's National Bank of Pittsburgh, Pa.
First National Bank of Reading, Pa.
First National Bank of Sunbury, Pa.
Second National Bank of Wilkesbarre, Pa.
First National Bank of York, Pa.
First National Bank of Jersey City, N. J.
Second National Bank of Newark, N. J.
First National Bank of Plainfield, N. J.
First National Bank of Trenton, N. J.
First National Bank of Wilmington, Del.
Farmers' National Bank of Annapolis, Md.
First National Bank of Baltimore, Md.
National Bank of the Republic, Washington, D. C.
Planters' National Bank of Danville, Va.
Exchange National Bank of Norfolk, Va.
First National Bank of Richmond, Va.
Planters' National Bank of Richmond, Va.
National Valley Bank of Staunton, Va.
Belfontaine National Bank of Belfontaine, Ohio.
First National Bank of Cincinnati, Ohio.
Third National Bank of Cincinnati, Ohio.
Fourth National Bank of Cincinnati, Ohio.
Merchants' National Bank of Cleveland, Ohio.
National Exchange Bank of Columbus, Ohio.
Second National Bank of Dayton, Ohio.
First National Bank of Sandusky, Ohio.
First National Bank of Toledo, Ohio.

Campaign National Bank of Urbana, Ohio.
Evansville National Bank of Evansville, Ind.
First National Bank of Indianapolis, Ind.
Indianapolis National Bank of Indianapolis, Ind.
Alton National Bank of Alton, Ill.
First National Bank of Centralia, Ill.
Fifth National Bank of Chicago, Ill.
Second National Bank of Peoria, Ill.
Mechanics' National Bank of Peoria, Ill.
First National Bank of Quincy, Ill.
First National Bank of Rock Island, Ill.
First National Bank of Springfield, Ill.
State National Bank of Springfield, Ill.
Second National Bank of Detroit, Mich.
City National Bank of Grand Rapids, Mich.
First National Bank of Madison, Wis.
First National Bank of Milwaukee, Wis.
National Exchange Bank of Milwaukee, Wis.
First National Bank of Oshkosh, Wis.
First National Bank of Saint Paul, Minn.
Second National Bank of Saint Paul, Minn.
Davenport National Bank of Davenport, Iowa.
Saint Louis National Bank of Saint Louis, Mo.
First National Bank of Covington, Ky.
First National Bank of Louisville, Ky.
Kentucky National Bank of Louisville, Ky.
Lexington City National Bank of Lexington, Ky.
First National Bank of Chattanooga, Tenn.
East Tennessee National Bank of Knoxville, Tenn.
First National Bank of Memphis, Tenn.
First National Bank of Nashville, Tenn.
Raleigh National Bank of North Carolina, Raleigh, N. C.
People's National Bank of Charleston, S. C.
Atlanta National Bank of Atlanta, Ga.
Merchants' National Bank of Savannah, Ga.
First National Bank of Galveston, Tex.
San Antonio National Bank of San Antonio, Tex.
Merchants' National Bank of Little Rock, Ark.
First National Bank of Leavenworth, Kans.
National Bank of Lawrence, Lawrence, Kans.
First National Bank of Omaha, Nebr.
Omaha National Bank of Omaha, Nebr.
First National Bank of Denver, Colo.
Colorado National Bank of Denver, Colo.
First National Bank of Helena, Mont.
First National Bank of Bozeman, Mont.
First National Bank of Portland, Oreg.
First National Bank of Yankton, Dak.
First National Bank of Santa Fé, N. Mex.
First National Bank of Walla Walla, Wash.

No. 626.

Mr. Fenton to Mr. Sherman.

FIFTH AVENUE HOTEL,
New York City, 20th July, 1878.

DEAR SIR: I intended to see you in regard to matters for the consideration of the Monetary Commission, but have been prevented from again visiting Washington, and will now venture only upon a single inquiry: It seems important that we should be able to say something upon your official responsibility touching the resumption of specie payments. May I ask you, therefore, to give me your views briefly as to time, etc.; and add that I would be glad to have your opinion as to the amount of our bonded debt held in Europe.

Any suggestions you may deem proper to make will be very acceptable, and will reach me here until Wednesday, 24th inst., when I sail per steamship Bothnia.

Very respectfully, yours, R. E. FENTON.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

No. 627.

Assistant treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, July 20, 1878.

SIR: I am advised by the Treasurer, under date of the 16th inst., that it is the wish of the department, as far as practicable, to increase the issue and circulation of the new silver dollars, and for that purpose I am authorized to pay them out in limited sums (on application therefor) not only in exchange for currency, but in payment of checks, and in place of one and two dollar notes. The Treasurer also requests that I will submit such facts and suggestions as occur to me on the subject.

The proviso included in my instructions "that the coin is not to be furnished to persons desiring it for the payment of duties, or subscriptions to the four per cent. loan," will materially reduce the amount of the payments, as there is really very little demand for silver except for these purposes.

It is not probable, therefore, that much can be accomplished under the authorization as it stands, unless the coin is paid out at the option of the Secretary in the ordinary disbursements of the Treasury, which, of course, would enable him to increase or diminish the issue at his pleasure.

I am therefore inclined to think that it might be well for the Secretary to avail himself of his legal right to pay out silver dollars the same as United States notes, regulating the amount from time to time by the supply on hand, but without restriction as to the use to be made of it. I would rely mainly on this means (that is, ordinary disbursements) to accomplish the object in view, because it leaves the whole matter so completely within the control of the department. In exchanges of silver for notes on application for it, if there are no applicants there can be no issue; or if the applicant wants the coin for a prohibited purpose, or in larger amount than is convenient, he must be denied. This is very much the situation at present.

As to any restrictions on the use of silver, I fail to see what good can result from them, for it is morally certain that, whatever statements may be made, the coin will finally gravitate towards the channels where there is the greatest demand for it. Already a large proportion of the customs duties are paid in silver (on the 19th instant, silver certificates, $88,000; gold certificates, $87,000; gold coin, $11,000), and its use for this purpose must increase, either to the entire exclusion of gold or until, by the extinction of the premium, its value becomes assimilated to that of silver. At the worst, then, a free and unrestricted issue of silver by the Treasury could only hasten the accomplishment of a foregone conclusion.

It may be considered further, that the minimum of the coinage of silver being fixed by law, unless some outlet can be found for it, it must accumulate in the public depositories instead of gradually finding its way into the circulation. I was never an advocate of silver dollars, but if they are to be treated as a permanent money of the United States it seems to me one aim should be to get them into the pockets of the people as rapidly as a vacuum can be made for them, and to as large an amount as can be absorbed in that way. There are, if I am not mistaken, over fifty millions of one and two dollar notes now outstanding. Those issued by the national banks are, I think, required by law to be retired after resumption. There may be no similar provision with respect to those issued by the government, but if the relative proportion of the different

denominations may be fixed at the discretion of the Secretary, he could substitute large notes for the small ones and gradually withdraw the latter from the circulation, thus preparing the way for the inflow of silver or gold, or both. I think such a plan would aid essentially in connection with the issue and circulation of silver, but no doubt it has had the attention of the Secretary, and he can best determine as to its feasibility and value.

I will only add that whilst the free issue of silver might be beneficial in other ways, it would in all probability have a powerful influence in reducing the premium on gold. It would lessen the demand for it by furnishing a cheaper and equally efficacious medium for the payment of duties, which is the chief object for which gold is now required by the business community. In the present condition of the exchanges I do not see how the premium on gold could be maintained in the place of a plentiful supply of a money of equal power and availability (here if not abroad), and made equally convenient by the introduction of certificates to represent the coin.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon JOHN SHERMAN, *Secretary.*

No. 628.

Mr. Hawley to Mr. Fenton.

TREASURY DEPARTMENT, *Washington, D. C., July* 22, 1878.

Hon. R. E. FENTON,
Fifth Avenue Hotel, New York City, N. Y.:

SIR: In the absence of the Secretary I have the honor to acknowledge the receipt of your letter of the 20th instant, stating that it seems important you should say something upon his official responsibility touching the resumption of specie payments, and asking his views briefly as to time, &c., and his opinion as to the amount of the public debt held abroad, and in reply to inform you that on the 15th instant, in response to similar inquiries, the Secretary addressed two letters to Mr. Groesbeck, of the commission, at the Buckingham Hotel, New York, which appear to fully set forth the desired views of the Secretary in the matter of resumption.

Concerning the amount of the public debt held abroad, the department can give no trustworthy estimate.

A large part of the indebtedness is made up of coupon bonds which pass by delivery, and they are known to be largely used as exchange between Europe and this country, and any estimate of their location is consequently of little worth.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 629.

Sixty-third call.—Redemption of 5.20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 77.
Secretary's Office.

TREASURY DEPARTMENT, *July* 23, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the twenty-third day of October, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 68001 to No. 69000, both inclusive.	
$100—No. 114001 to No. 117000, both inclusive.	
$500—No. 79501 to No. 82000, both inclusive.	
$1,000—No. 145001 to No. 151000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS.

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2301 to No. 2350, both inclusive.	
$100—No. 18251 to No. 18350, both inclusive.	
$500—No. 10551 to No. 10600, both inclusive.	
$1,000—No. 35201 to No. 35450, both inclusive.	
$5,000—No. 9651 to No. 9900, both inclusive.	
$10,000—No. 18464 to No. 19050, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 630.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *Washington, D. C., July* 27, 1878.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 20th has been received and fully considered, and a conference had with the Treasurer upon the recommendation made.

At present it is thought advisable to continue the distribution of silver dollars, through government depositaries, in different parts of the country where the silver is readily absorbed for common use, especially for the payment of cotton labor in the Southern States.

It is probable, however, that your suggestion as to the use of silver dollars in payment of all demands will be adopted in the month of August or September. Another reason for preferring at present the rule now in use is the receipt of gold coin in San Francisco for sil-

ver certificates, which, though it throws upon the government the cost of transporting the gold, yet it is a beneficial operation, and is kept up because of the value of silver certificates in paying duties in New York.

At present, therefore, you will please pay out silver dollars on the conditions named in former letters, but do not pay them out in considerable sums to be returned again to the Treasury for customs duties. As I hope to be in New York in a week or two, I will then confer with you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 631.

Sixty-fourth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 82.
Secretary's Office.

TREASURY DEPARTMENT,
July 30, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 30th day of October, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 69001 to No. 69500, both inclusive.	
$100—No. 117001 to No. 120000, both inclusive.	
$500—No. 82001 to No. 84000, both inclusive.	
$1,000—No. 151001 to No. 157000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2351 to No. 2400, both inclusive.	
$100—No. 18351 to No. 18450, both inclusive.	
$500—No. 10601 to No. 10700, both inclusive.	
$1,000—No. 35451 to No. 35850, both inclusive.	
$5,000—No. 9901 to No. 10250, both inclusive.	
$10,000—No. 19051 to No. 19800, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 632.

Mr. Sherman to Mr. Fox.

TREASURY DEPARTMENT,
Washington, D. C., July 30, 1878.

E. W. FOX, Esq.,
Secretary Saint Louis Evening Dispatch, Saint Louis, Mo.:

SIR: I have received your letter without date, suggesting that, to accommodate importers, the United States Assistant Treasurer in your city be permitted to issue certificates of deposit in coin in the name of the surveyor of customs of the port, and on account of duties on imports, upon receipt of a deposit in currency to the amount of duties to be paid.

In reply I have to inform you that the Assistant Treasurer has authority to sell gold to any importer to the amount of duties required to be paid, the premium thereon governed by the report of the New York Stock Board of the day previous to the sale.

In this manner the department affords proper facilities to importers, and it is not deemed advisable at present to make the change suggested by you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 633.

1878.
Department No. 87.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., August 1, 1878.

The Secretary of the Treasury calls attention to the four per cent. funded loan of the United States now offered by this department in denominations, viz, for coupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000, at par and accrued interest to date of subscription, in coin.

The bonds are redeemable July 1, 1907, and bear interest payable quarterly on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Upon the receipt of full payment the bonds will be transmitted free of charge to the subscribers, and a commission of one-fourth of one per cent. will be allowed upon the amount of subscriptions, to be paid by check only, to parties subscribing or sending subscriptions.

All national banks are now invited to become financial agents of the government and depositaries of public moneys received on the sale of these bonds, upon complying with section 5133 Revised Statutes of the United States. All banks, bankers, postmasters, and other public officers, and all other persons, are invited to aid in placing these bonds. They can make their arrangements through national banks for the deposit of the purchase money of the bonds.

The proceeds of the sale of these bonds will, until further notice, be only used in the redemption of the 5-20 six per cent. bonds of the United States, under the refunding act.

As soon as the four per cent. bonds are paid for by certificates of deposit of such public depositaries, or otherwise, a call will issue, maturing within ninety days, for the redemption of six per cent. bonds, and the money received for four per cent. bonds will remain on deposit until such call matures.

Payment for the bonds may be made in coin, coin certificates, certificates of deposit of government depositaries, called bonds, coupons maturning within thirty days, or in coin and currency drafts on New York in favor of the Treasurer of the United States, which will be received at the coin value thereof at the National Bank of Commerce, New York. Any payment in excess will be returned by check.

All coin and currency drafts on New York should be forwarded directly to the Treasurer of the United States by subscribers or their agent.

The favorable state of the money market induces the Secretary to press upon the people this loan, by which they can obtain direct from the government a national bond of the highest credit and sanction, exempt from taxes, and payable, principal and interest, in coin. Every citizen of the United States is interested in the success of this loan, as every sale of these bonds enables the government to save one-third of the interest on an equal amount of outstanding debt to be redeemed. These bonds should be the storehouse for the savings of the people. No facility or advantage will be given to large subscribers. It is the interest of the public that the bonds be distributed in small sums among the largest number of our fellow-citizens.

Subscriptions to an amount equal to the bonds now redeemable would make an annual saving of $8,961,632, and such subscriptions can now be made without withdrawing from circulation any of the money of the people.

All blanks, or forms, or information needed, will be furnished by the department without cost.

JOHN SHERMAN, *Secretary.*

No. 634.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 3, 1878.

DEAR MR SECRETARY: The bank on the first instant raised its rate from 3½ to 4 per cent. The condition of the money market led to an anticipation by money dealers of this action of the bank.

It is understood that the bank has been charging from 4 to 5 per cent. during the past week for short loans. The great pressure for money has come from the stock exchange. The government is now a large borrower in the market, and the large amount of treasury bills floating the market has no doubt tended to disturb it. It is now thought that the government will undertake to fund this class of floating indebtedness, and, should it do so, it would eventually relieve the market very much.

The bank reserve is very low, the proportion of reserve of liabilities having fallen to 34½ per cent., and it has been continuously losing bullion, and this has contributed to make the course pursued by it a necessary one. The exchanges of the principal money centers have been at a point for some time past which has prevented gold from being sent here. The French exchange has been against England, and considerable amounts in gold have been sent to Paris. The bank now has in bullion £21,964,420 as compared with £26,741,531 in the corresponding week of last year. In the corresponding week in 1876 it held £33,600,000, and, in the corresponding week in 1875, £28,600,000 in bullion. The stock

of bullion has now reached a point which will require protection, and I should not be surprised at any advance in the bank rate, even 10 per cent., for that purpose. It is reported that at the close of last week preparations were being made for the shipment of a quantity of eagles to New York, on an order, exchange then being $4.81\frac{1}{2}$, and money $2\frac{1}{2}$ per cent., but before the order could be executed the price of money was advanced and the shipment of gold prevented.

I have seen it stated that it was expected that resumption at home would be aided by the shipment of gold in the fall against crops from here to New York. My own impression is that *great efforts* will be made here to prevent any further shipment of gold to the United States. The stock here is small, and it is probable that means of some kind will be adopted to prevent it from further depletion. The balance of trade between England and France is largely in favor of the latter country, while Germany is constantly on the alert to take advantage of any and every opportunity which will enable her to obtain gold at any price. Besides, in making preparations for resumption, we have absorbed gold that otherwise would have been attracted to this market. I do not think we shall obtain any large amount of gold from this side. Payments on account of the balance of trade in our favor will continue to be made in bonds just so long as bonds can be obtained here and be absorbed at home. They afford a cheap and excellent medium for making payments. Taking the condition of the money market as it is at the present time with the rate of interest into consideration, it is very difficult to form any judgment as to what will be the position of affairs when a revival of business shall take place. I am glad to learn that refunding is progressing so rapidly at home. It has met with a success which, under all the circumstances, could hardly have been predicated for it.

I have just finished an examination of a copy of the twenty-second report of the commissioners of Her Majesty's customs for the year ending December 31, 1877 (published only a few days since), and I find that it contains statistics relating to the trade between Great Britain and the United States which may be of interest to you.

I have compiled the following table from the report, showing the value of the principal articles imported into the United Kingdom from the United States in each year from 1873 to 1877, respectively, also the total value of the unenumerated articles, and the total value of all the imports for the periods named.

	1873.	1874.	1875.	1876.	1877.
Bacon and hams	£5, 191, 901	£4, 477, 941	£5, 469, 662	£7, 144, 798	£5, 916, 077
Beef, salted	378, 412	411, 057	354, 072	855, 401	1, 602, 260
Butter	199, 639	188, 769	205, 900	593, 122	920, 561
Cheese	2, 353, 181	2, 589, 776	2, 786, 027	2, 564, 977	3, 129, 829
Corn—wheat	12, 938, 848	14, 201, 450	12, 469, 664	10, 314, 373	13, 583, 543
Indian corn	3, 814, 125	5, 659, 080	4, 803, 955	8, 656, 338	8, 225, 437
Wheat meal and flour	1, 382, 304	2 918, 566	1, 738, 445	1. 703, 286	1, 543, 793
Cotton, raw	31, 544, 933	29, 309, 963	27, 075, 283	25, 120, 512	23, 621, 840
Iron and steel	180, 632	156, 610	216, 751	241, 839	200, 000
Lard	1, 222, 492	790, 932	1, 507, 468	1, 411, 147	1, 415, 936
Oil-seed cake	946, 244	1, 101, 238	1, 243, 985	1, 322, 852	1, 051, 843
Petroleum	987, 591	982, 939	770, 488	1, 388, 160	1, 769, 408
Pork, salted	467, 126	456, 223	369, 272	613, 432	478, 861
Skins and furs	531, 754	604, 037	604, 888	398, 335	425, 150
Tallow and stearine	1, 012, 102	896, 477	768, 317	1, 244, 512	940, 008
Tobacco, unmanufactured	1, 779, 969	1, 816, 669	987, 356	2, 077, 039	1, 766, 462
Tobacco, manufactured, and cigars	108, 732	151, 696	84, 929	105, 060	98, 274
Unenumerated	6, 431, 508	7, 183, 977	8, 134, 592	10, 143, 825	11, 136, 591
Total	71, 471, 493	73, 897, 400	69, 590, 054	75, 899, 008	77, 825, 973

According to this table, the total amount of the imports of all articles from the United States during the year 1877 was only £1,926,965 greater than the amount imported in the preceding year. This small amount of increase compared with the increase in some of the other years and with our own published accounts of the vast increase in our exports strikes one at first as being quite remarkable.

An analysis of the table shows a decrease in the value of some of the principal articles as compared with the previous year, as follows, viz: In corn, £430,901; cotton, £1,498,672; wheat meal and flour, £159,493; oil-seed cake, £171,000; pork (salted), £134,571; tallow and stearine, £254,504; and in tobacco, £310,577.

These principal articles show an aggregate loss of £2,959,727. There was, however, an increase in the value of the article of wheat imported of £3,269,170. There has also been a large increase in the quantity and value of fresh beef brought from the United States in the past year, but it does not appear as one of the *items* in the published tables, it being included in the "unenumerated articles." Special mention is made of this importation in the text of the "report," from which I learn that the quantities of dead meat brought here, "chiefly from the United States," was 486,000 cwts., against 172,000 cwts. in 1876, and that the value of the same was £1,276,000, against £476,000. The reduced price which we have received for nearly all the articles sent here, as compared with the prices paid for them in former years, has diminished to a considerable extent the total value of our exports to this country.

The value of the *exports* of produce and manufactures of the United Kingdom to the United States for the year 1877 was £16,376,814, a decrease of £456,703 as compared with 1876, and of £17,197,850 as compared with 1873. The decrease in the value of the principal articles of export in 1877 as compared with 1876 was, viz: In soda, £29,126; beer and ale, £36,765; cotton thread, £44,352; haberdashery and millinery, £17,555; hardware and cutlery, £27,966; linen thread, £16,360; iron (old), £8,215; pig iron, £27,250; hoop, boiler plate, £30,456; iron (cast), £35,300; steel (unwrought), £32,806; salt, £14,491; silk stuffs, handkerchiefs and ribbons, £26,259; other articles of silk only, £40,025; silk, mixed, £18,479; cloths, coatings, &c., £64,596; worsted stuffs, £354,431; carpets, &c., £87,801; and other articles, £158,499. There has been during the same period an increase in the value of certain articles exported to the United States, as follows: In cotton piece goods, £43,160; earthen and china ware, £79,342; linen piece goods, £180,723; iron (bar, bolts), £28,714; iron (railroad), £13,194; tin plate iron, £137,366; copper (wrought), £34,477; lead (pig, pipe), £30,066; and in wool (sheep and lamb's), £92,272. As compared with 1873, the exports to the United States in the last year show a falling off of £1,396,653 in cotton piece goods; of £1,024,975 in haberdashery and millinery goods; of £474,302 in hardware and cutlery; of £739,552 in linen piece goods; of £184,598 in old iron; of £549,613 in pig iron; of £251,276 in bar, bolt, and rod iron; of £2,414,329 in railroad iron of all kinds; of £250,933 in hoop iron, sheets, &c.; of £671,347 in tin plates; of £390,841 in cast or wrought iron; of £492,835 in steel, unwrought; of £206,849 in copper, wrought and unwrought; of £830,089 in cloths, coatings, &c.; of £2,748,768 in worsted stuffs; of £718,800 in carpets and druggets; and of £2,778,661 in unenumerated articles.

The trade of Great Britain with the United States is much larger, as you are aware, than it is with any other country. The following table, showing the total value of its trade with eighteen of the principal coun-

tries, will afford a comparison of the relative position that each country maintains toward it.

	Imports from—	Exports to—	Total.
United States	£77, 825, 973	£16, 376, 814	£94, 202, 787
France	45, 823, 324	14, 233, 242	60, 056, 566
British India	31, 224, 763	25, 338, 286	56, 563, 049
Germany	26, 269, 993	19, 642, 128	45, 912, 121
Australia	21, 732, 338	19, 285, 718	41, 018, 056
Holland	19, 861, 254	9, 614, 387	29, 475, 641
Russia	22, 142, 422	4, 178, 641	26, 321, 063
China	15, 323, 342	7, 912, 663	23, 236, 005
British North America	12, 035, 968	7, 613, 547	19, 649, 515
Belgium	12, 888, 774	5, 304, 105	18, 192, 879
Spain and Canary Islands	11, 139, 298	3, 808, 895	14, 948, 193
Turkey	6, 852, 108	5, 624, 910	12, 477, 018
Egypt	11, 101, 785	2, 273, 311	14, 948, 193
Brazil	6, 344, 961	5, 958, 655	12, 303, 616
Italy	4, 100, 812	6, 218, 612	10, 319, 424
Sweden	7, 859, 812	2, 453, 250	10, 313, 062
British West Indies	7, 137, 560	3, 007, 068	10, 144, 628
British Possessions in South Africa	4, 275, 398	4, 115, 694	8, 391, 092

The value of our exports of merchandise to Great Britain are about four and three-fourths times greater than our imports from that country. The report treats of matters germane to the trade of the country, some of which may not be uninteresting. It refers to the past year and to the one preceding it as having been "strongly" marked by want of commercial enterprise, caused by absence of confidence in the probability of profitable returns for investments of capital, and states that "among the causes which have seriously retarded the progress of the nation in the accumulation of wealth during 1877 must undoubtedly be included the conflicts between capital and labor called 'strikes,' which seem to be increasing in number and importance."

In a letter published in the Times January 3, 1878, it was stated that no fewer than 191 separate "strikes" occurred in the course of last year. The returns for the United Kingdom show an increase of rather more than eleven per cent. in the number of paupers in receipt of relief during 1876–'77 as compared with 1875–'76. As this fact is mentioned in connection with the "strikes" it is to be presumed that it has resulted from them.

The emigration and immigration is thought to have been about equal during the year.

The percentage excess of imports over exports continues to increase; the value of imports, including bullion and foreign merchandise, having aggregated during the year the sum of £431,572,481, and the exports, inclusive of bullion and re exports, £292,144,139. The total value of the imports of foreign and colonial merchandise and produce, exclusive of bullion, in the year was £394,419,682, and of the exports £198,893,065.

The imports were increased by about nineteen millions sterling, or 5 per cent. over the value of 1876, while the exports decreased by £1,746,139 on the value of 1876. The increase of nineteen millions sterling in the imports is distributed through all the list of articles, but it is conspicuous in the articles of wheat meal and flour, which have been augmented to the value of nearly £13,000,000. I have searched through the report to find what countries contributed to this increase but it contains no table giving the information. I have found figures in sundry statements in the report relating to the trade with different countries, with the exception of Russia, which enable me to make a table which I think is pretty nearly accurate, with the exception as named in the case of Russia.

The countries furnishing the increase are—

The United States	£2,838,269
Germany	2,647,584
France	1,682,198
India	2,817,649
Canada	451,773
Spain and the Canary Islands	567,000
Russia, estimated	1,900,000
Making	12,904,473

The imports and exports of bullion and specie for 1877, as compared with 1876, are given as follows:

IMPORTS.

	1876.	1877.
Gold	£23,476,000	£15,422,000
Silver	13,578,000	21,711,000
Total	37,054,000	37,133,000

Showing an increase in the importation of silver of £8,133,000 and a decrease in the amount of gold imported of £8,034,000.

EXPORTS.

	1876.	1878.
Gold	£16,516,000	£20,374,000
Silver	12,948,000	19,437,000
Total	29,464,000	39,811,000

Showing an increase in the exports of gold as compared with the previous year of £3,858,000 and of silver £6,489,000, a total of £10,347,000.

The exhibit for the year 1877, taken alone, shows the following result:

	IMPORTS.	EXPORTS.
Gold	£15,442,000	£20,374,000
Silver	21,711,000	19,437,000
Total	37,153,000	39,811,000

This shows an excess of imports of silver of £2,274,000, and that gold was exported in excess of the imports to the amount of £4,932,000. It will be seen by a comparison of the two years that the importation of gold decreased to the extent of £8,034,000, and that the importation of silver increased by about the same amount (£8,133,000). On the other hand there has been an excess of exports of gold of £3,858,000, and of silver of £6,489,000, making a total of £10,347,000 (loss), a large increase. Of the gold imported £6,655,000 came from Australia; £2,062,000 from the United States; £1,227,000 from Japan; £1,172,000 from South America; £98,700 from British India, and £2,455,000 from the continental countries. The gold exported was sent as follows: To Germany, £8,343,000; to France, £6,147,000; to Egypt, £1,395,000; and to the United States, £1,167,630.

The value of the food products imported, exclusive, of course, of tea, coffee, cocoa, spirits, wines, spices, and tobacco, it is stated amounted in the past year to one hundred and six millions sterling. There was a decrease in the revenue derived from customs duties in the past year as compared with 1876, viz, net receipts, 1876, £20,054,698; 1877, £19,736,211. The cost of collecting the past year's revenue from customs was £810,552. This included the cost of collecting £3,403,400 duties on behalf of the inland revenue on the delivery, for home con-

sumption, of British spirits, deposited in the customs warehouses. The rate of per cent. of collection was £3 9*s*. 4*d*., a trifle under 3½ per cent. The quantity of grain imported from the United States during the year 1877 is much less than I supposed it would be. The figures in regard to it are rather disappointing. I think, however, that the shipments last year were delayed by the interruptions in transportation caused by the "strikes" and the immediate effects which followed them, and that large quantities of our last year's crops of wheat and other grains did not arrive here until after the accounts of that year had been closed. Grain, I am told, is sent to some extent in sailing vessels, and, if so, it is only reasonable to suppose that, owing to larger shipments than usual, larger quantities would be sent in that way than would ordinarily be the case. This view of the case seems to be partly sustained by the accounts of the shipments of grain received here when compared with the shipments of the corresponding period of last year. I have made inquiries in regard to the time of the arrival of the shipments, but have not yet received any information. The following table shows the *quantity* and *value* of *wheat* imported into Great Britain, as per returns of trade and navigation, from the United States and from other countries for the six months ending June 30, 1878, compared with the corresponding period of 1877.

	Quantities.		Value.	
	1878.	1877.	1878.	1877.
From the United States:	*Cwt.*	*Cwt.*		
From the Atlantic seaboard	12, 812, 576	2, 692, 033	£7, 652, 763	£1, 635, 172
From the Pacific—California	3, 282, 584	7, 106, 508	2, 129, 552	4, 553, 165
Total	16, 095, 160	9, 798, 541	9, 782, 315	6, 188, 337
From other countries, viz: Russia, Germany, France, Turkey, Egypt, British India, &c	9, 259, 749	13, 414, 983	5, 313, 732	7, 753, 216
Grand totals	25, 354, 909	23, 213, 524	15, 096, 047	13, 941, 553

The value of wheat meal and flour brought from the United States was £1,664,891 for the six months ending June 30, 1878, as compared with £707,493. The countries from which corn was imported are not distinguished in this return; about one and one-half million sterling was imported during the last six months in excess of the amount for the corresponding period.

The increase in the value of wheat, you will observe, amounts to £3,596,978 in our favor during the first six months of this year. The raw cotton from the United States for the six months ending June 30 amounted to £18,048,399 as against £16,910,514 last year. Fine weather has very much improved the crops in this country. It is stated in the Statist of this morning's issue that the coming American crop of wheat is now estimated as being less abundant than was recently calculated; that, instead of eighteen million quarters to spare for export, the United States will have, according to these revised estimates, an excess of only nine million quarters. The tendency of the price of cotton is upward.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 635.

Sixty-fifth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 84.
Secretary's Office.

TREASURY DEPARTMENT,
August 5, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 5th day of November, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 69501 to No. 70000, both inclusive.	
$100—No. 120001 to No. 123000, both inclusive.	
$500—No. 84001 to No. 86000, both inclusive.	
$1,000—No. 157001 to No. 163500, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$100—No. 18451 to No. 18550, both inclusive.	
$500—No. 10701 to No. 10750, both inclusive.	
$1,000—No. 35851 to No. 36100, both inclusive.	
$5,000—No. 10251 to No. 10400, both inclusive.	
$10,000—No. 19801 to No. 20500, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 636.

Sixty-sixth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 86.
Secretary's Office.

TREASURY DEPARTMENT,
August 7, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 7th day of

November, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 70001 to No. 71000, both inclusive.	
$100—No. 123001 to No. 127000, both inclusive.	
$500—No. 86001 to No. 87000, both inclusive.	
$1,000—No. 163501 to No. 169000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," *as follows:*

$100—No. 18551 to No. 18650, both inclusive.	
$500—No. 10751 to No. 10800, both inclusive.	
$1,000—No. 36101 to No. 36550, both inclusive.	
$5,000—No. 10401 to No. 10600, both inclusive.	
$10,000—No. 20501 to No. 20900, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 637.

Assistant Treasurer United States New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, August 7, 1878.

SIR: In connection with the suggestions relative to the issue of the new silver dollar, which I had the honor to submit in my letter of July 20, it has occurred to me that the agency of the national banks throughout the country in aid of this object is not made use of under present regulations as fully as it might be.

By the Treasurer's circular of July 19 only banks that are designated depositaries can obtain the silver from the mint free of all charges for transportation. Is there any reason why all banks should not be placed on the same footing?

I am inclined to think it would be wise and proper to extend the privilege to all banks, excepting only such as cannot be reached by continuous express lines, and such as are located at or near ports of entry or offices that issues silver certificates.

With a few changes, department's circular of the 19th ultimo would suit the purpose.

With over fifty millions of one and two dollar notes outstanding, it is not likely the demand for silver dollars will be so urgent as to induce banks to supply themselves with any very large amount of them at their

own expense, but if the expense were borne by the government it is probable that many banks would apply for moderate sums, which they would distribute amongst the farmers and traders doing business with them.

The existing regulations do not meet the difficulty, because there is no provision made for the cost of transportation from the designated depositaries to other banks, and the former are too few and too widely scattered to perform the work alone.

Should the coin be furnished to the banks generally in the manner proposed there would be little danger of its being used for the payment of duties or subscriptions to United States bonds, because it would not pay to collect and transport it from the interior, often for long distances, to a port of entry, or to any other point where it could be used for these purposes.

Nor could it be exchanged for silver certificates at less cost or more advantageously to the holder at the present price of gold.

It is fair to anticipate, therefore, that whatever amount might be issued in this way it would for the present remain in the circulation, or, at the worst, be returned to the banks that issued it to be again paid out.

It is not probable that much of it would find its way to the great commercial centers in the periodical movement of unemployed money from the interior, as it would be cheaper to send currency, and this fact might possibly have some influence in restricting the circulation of one and two dollar notes.

Certainly it would make it for the interest of the country banks to substitute silver for them as far as possible in their local disbursements as the readiest means of getting rid of their silver accumulations without any expense.

Whether silver, thus thrown into the circulation, could be kept there permanently, simply by the operation of natural laws, and without a clear field being made for it by the withdrawal of small notes, is a question about which I will not trouble the Secretary with any speculations.

The suggestion, it seems to me, if carried out, might very materially aid in the accomplishment of the preliminary step, and in that belief it is respectfully submitted.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 638.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 10, 1878.

DEAR MR. SECRETARY: No great change in the condition of the money market has occurred during this week. Yet certain things have been done, and certain circumstances have been made known in connection with it that are, I think, worth mentioning.

Fears, arising from the still weak position, so characterized, of the bank, as shown by its returns, have been partially and only temporarily quieted by the rise in both the Paris and New York exchanges. Large amounts of English bills are held in Paris, and should they, from any

cause, be suddenly thrown upon the market here, the result would undoubtedly be a panic.

Your preparations for resumption, through which the supply of gold that formerly came here from your side of the water has been for some time past cut off, has had a telling effect upon the situation here. The Economist of this day's issue, says:

> The prospect of a good wheat crop (here) cannot, as yet, exercise much influence, and what we have to look to in the immediate future is to arrest any revival in the export of gold to the continent or to America.

The bank return for the week ending the 7th inst. shows a decrease in the following items: Private deposits, £1,990,772; government securities, £1,213,708; other securities, £355,762; notes unemployed, £327,480; bullion, £180,374. The items which show an increase are, notes in circulation, £120,070 (the total amount being £28,177,085); public deposits, £54,547; other items, £52,902. The reserve is about eight and a half millions, which is considerably below what has always been regarded as the level of safety. The cash (bullion) now on hand is only £21,780,048, as compared with £26,071,533 in the corresponding week of last year. This is, of course, the only national reserve, and it is no wonder that its smallness is attracting attention. The official bank rate of discount is 4 per cent. One year ago it was 2 per cent. The open market rate is from 4 to 4¼ per cent. as against 1½ per cent. at this time last year. Any slight shipment of gold would cause the rate of interest to advance to whatever rate it might be found necessary to check or stop further shipments. It is alleged that the bank has been selling securities for the purpose of absorbing the surplus money in the market, and in that way of gaining control over it. This is one of the methods by which they have been enabled to advance the rate of interest; the object in doing so was to cause a rise in the price of exchanges on London, and that object has been accomplished. On Wednesday last it is said that bill brokers paid as high as 6 per cent. to the bank for loans. The bank has made a great departure from its former rule in regard to its rate. It publishes its rate as formerly, but in its transactions does not confine itself to it. Heretofore its rate was invariably above the market rate, but now it is below it. The result of this is that it destroys, or tends to destroy, all unity of action among banks and bankers.

This action of the bank gives it greater facilities for controlling the market. I think you will find it very important and quite necessary in carrying your plans for resumption into effect to keep a watchful eye on the condition of affairs on this side.

There may possibly be a clashing of interests. To prevent any gold from being shipped from here I have no doubt but that the rate of interest would be advanced to 10 per cent.

At any such rate I have no doubt but what plenty of speculators in New York would buy English bills. The effect of this would be to send the prices of exchange above the shipping point. The Chancellor of the Exchequer made a statement in the House of Commons on Tuesday eve last in explanation of the supplementary estimates, in which he said that the government had actually spent the sum of £6,427,500 upon what he should not call warlike services, but services which were intended to avert war. In February last, as you are aware, the government applied to Parliament for a vote of credit for £6,000,000; it was claimed at the time on behalf of the friends of the measure, that what was required was a vote of confidence, an approval of the policy of the government. The sum was granted, but the vote expired on the 31st March, and it now appears that by that time there had been spent of it £3,500,000. The

means for meeting that expenditure were provided from the surplus revenues of that year and by the issue of exchequer bonds, viz, £750,000 from the surplus revenue of that year, and £2,750,000 derived from the issue of bonds running one year. The Chancellor of the Exchequer stated that he expected that the revenue of the current year would yield £83,230,000, including the amount he estimated the additional taxation imposed in April last would produce, viz, £3,775,000 (the additional taxes being levied upon tobacco, 4*d.* per lb., and two pence in the pound sterling on income tax); while the expenditures, including the supplementary estimates, nearly all of which are made up of expenses for purposes similar to that of the vote of credit of six millions, and also including the redemption of the £2,750,000 exchequer bonds issued last year on the vote of credit account, will reach the sum of £87,536,000. This will leave a deficiency of £4,306,000 in the accounts of the current year. To meet this deficit authority has been granted for the issue of two million exchequer bonds, and as authority was originally given for the issue of the £2,750,000 exchequer bonds (issued last year), to run for a period of three years, instead of one, the term for which they were issued, whatever amount of them it may be found necessary will be reissued to make up the deficit. The Chancellor of the Exchequer said that in his judgment the surplus revenues of the next two years would be sufficient for the payment or redemption of these bonds, and he thought it better that the deficit should be extended over the period of two years than to disturb the revenue system of the country now for the purpose of making provison for it this year.

It is reported that our crops are coming forward much more rapidly than they came last year. Prices are very much lower, and we may not obtain as large a return as we received last year.

Prices of our bonds are well maintained, but transactions in them are very limited for the reason that they cannot be obtained in the market, that is, in sufficient sums for anything but small dealings.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 639.

Sixty-seventh call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 88.
Secretary's Office.

TREASURY DEPARTMENT,
August 10, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of Mareh 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 10th day of November, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$50—No. 71001 to No. 72000, both inclusive.
$100—No. 127001 to No. 129000, both inclusive.
$500—No. 87001 to No. 90000, both inclusive.
$1,000—No. 169001 to No. 174000, both inclusive.
Total coupon $2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$100—No. 18651 to No. 18750, both inclusive.	
$500—No. 10801 to No. 10950, both inclusive.	
$1,000—No. 36551 to No. 36900, both inclusive.	
$5,000—No. 10601 to No. 10900, both inclusive.	
$10,000—No. 20901 to No. 21300, both inclusive.	
Total registered	$2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 640.

Sixty-eighth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 90.
Secretary's Office.

TREASURY DEPARTMENT,
August 16, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 16th day of November, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1865, namely:*

$50—No. 72001 to No. 73000, both inclusive.	
$100—No. 129001 to No. 132000, both inclusive.	
$500—No. 90001 to No. 92000, both inclusive.	
$1,000—No. 174001 to No. 179000, both inclusive.	
Total coupon	$2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2401 to No. 2450, both inclusive.	
$100—No. 18751 to No. 18950, both inclusive.	
$500—No. 10951 to No. 11150, both inclusive.	
$1,000—No. 36901 to No. 37500, both inclusive.	
$5,000—No. 10901 to No. 11400, both inclusive.	
$10,000—No. 21301 to No. 21800, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary*

No. 641.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, August 16, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

SIR: Our attention has several times been called to the fact that the 4 per cent. consols bear date July 1, 1877, which happened to be Sunday, and a question is raised by timid holders as to the validity of a money obligation dated on Sunday.

Without going into the legal question, it occurs to us that it is desirable to avoid every point of doubt, and we suggest for your consideration whether it would not be expedient to change date of future issues to July 2. Any doubtful holders could then, at pleasure, obtain the new date by transfer.

Yours, very truly,

H. C. FAHNESTOCK,
Vice-President.

No. 642.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 17, 1878.

DEAR MR. SECRETARY: I was somewhat surprised yesterday to find confirmation in the dispatches to the press of a rumor which had been circulated here on the previous day, that a shipment of gold destined for this place had been made from New York. The dispatches state that five hundred thousand dollars in eagles have been sent by steamer to Liverpool, the steamer sailing on Thursday. I made inquiries at once, with the view of ascertaining the cause of this shipment, but with no satisfactory results. I called upon the consignees, but learned nothing from them beyond the mere fact that the gold was sent for the account of the "Bank of Montreal" by its New York agency, and that when the gold reached here it would probably be sold to the Bank of England. The depletion of the stock of gold here has attracted considerable attention, and has been looked upon with a good deal of anxiety. In my former letters I have mentioned the causes which have led to the reduction of the stock; and I also suggested that, in all probability, measures

would not only be adopted to prevent a further withdrawal of gold from this market, but that an attempt would be made to raise the rates of exchange to a point which would make them in favor of this country so as to attract gold here. I thought, however, that in the results which might follow such operations gold would be drawn from Paris, and not from the United States. It may possibly transpire that the shipment in this instance has no relation to such operations.

It is said that it is very difficult in New York to obtain bills on London, and perhaps for that reason the Bank of Montreal may have found it necessary, in its transactions with this side, to remit gold. At any rate in this case it will, I think, suffer some loss. While the shipment of this comparatively insignificant sum causes some comment here, because it was unexpected (the general feeling, on account of which there has been no small amount of anxiety, having all along been that gold would have to be sent to the United States), I do not know that it need excite any alarm on our part. In view of contingencies which may arise, the bank still continues its exertions in the direction of keeping control over the market. It has charged during this week, so I am told, as high as eight per cent. for money. It is estimated by some people that English paper, "bills" equal to £10,000,000, are now held by the French.

A refusal to renew this paper, or portions of it, as it matures, would lead, as you will readily perceive, to serious consequences to the market here. This is not the period of the year when the reserve of the bank is at a low figure. It now stands at £8,603,000. The average reserve in August of each year from 1871 to 1877, inclusive, was as follows: 1871, £15,186,000; 1872, £12,139,000; 1873, £13,005,000; 1874, £10,672,000; 1875, £15,696,000; 1876, £20,362,000; 1877, £12,293,000. The reserve is usually the lowest in the month of October. In 1871 the reserve was 37 per cent. less in October than in August; in 1872 it was 29 per cent. less in October than in August; in 1873 it was 34 per cent. less in October than in August; in 1874 it was 8 per cent. less in October than in August; in 1875 it was 30 per cent. less in October than in August; in 1876 it was 2 per cent. less in October than in August; in 1877 it was 22 per cent. less in October than in August.

It will be seen from this comparison that the bank is not in a good condition to meet the demand usually made upon it a little later on in the season. But it is hoped that the high rates of interest which the bank has forced upon the market will attract a sufficient sum of gold here to enable the bank to replenish its stock of gold and to increase its reserve to its proper amount.

I do not believe that there is the slightest possibility that gold will come here from Germany. There is now an insufficient amount in that country; an increase in the rate of interest would undoubtedly draw gold from Paris.

I hear that money is cheap in New York; that there are banks there that have large sums on hand for which they cannot find employment at the low rate of 2 per cent. Should the bank-rate here be advanced to 6 or 7 per cent. it is not improbable that it would attract gold from New York, especially if employment cannot be found for it there. In my last letter I said that it is alleged that the bank has been selling securities for the purpose of absorbing the surplus money in the market, and in that way gaining control over it.

There is no doubt but in that way it has been enabled to control the market here—for the present, at any rate.

I think you will find the embarrassments which you will have to meet in the next three or four months the most difficult ones that you will

have to encounter in the entire course of resumption, and I apprehend that they will come principally from this side of the water. I believe that the sale of 4½ per cent. bonds would do very much to remove all obstacles in the way of resumption. Resumption is, of course, of more importance than refunding. I venture to suggest the consideration of the question of selling these bonds with a view at least of absorbing the surplus money in New York, and thereby prevent it from the liability of being drawn away from there. There are many investors who will buy 4½ per cent. bonds who will not purchase 4 per cents. Bankers who wish to make temporary investments will purchase them in preference to the others, because they can find a readier market for them when they wish to dispose of them. There is a market for them on both sides of the water, which is not the case with the others. It is not probable that these bonds could at any time be sold for a better price than they will command at the present time. I know of no other method which you can adopt to counteract efforts which may be made to draw from our stock of gold. And at the same time I think that you would be fully justified, now that events have somewhat changed the condition of things since your plans were formed, in strengthening the Treasury further, and in putting it into a position which would not admit of the possibility of a doubt as to success in the resumption of specie payments. I send herewith a copy of the Daily News of yesterday, the "Liberal" journal, which contains a letter on American affairs. I also send an extract from the Bullionist, of this morning's issue.

I remain, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury,
Washington, D. C.

No. 643.

Acting Secretary Hawley to the Attorney-General.

TREASURY DEPARTMENT, *August* 20, 1878.

Hon. CHARLES DEVENS, *Attorney-General:*

SIR: I inclose a copy of a letter from H. C. Fahnestock, vice-president of the First National Bank of New York City, stating that timid holders of the 4 per cent. bonds of 1907, issued under the acts of Congress of July 14, 1870 (16 Stat., 272), and January 20, 1871 (16 Stat., 399), have raised a question as to their validity on account of their bearing date July 1, 1877, which *fell on Sunday*, and asking whether it is not advisable to avoid every point of doubt by changing the date of future issues to July 2.

I have the honor to request your opinion whether there is any legal doubt about the validity of these bonds.

As a matter of fact these bonds are issued, signed, and delivered at different periods, but for convenience and uniformity in the payment of interest it has been the uniform practice of the department to *date* a series of bonds from the first of a month, the date having no significance further than to fix the interest period and the date when redeemable.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 644.

The Acting Attorney-General to Mr. Sherman.

DEPARTMENT OF JUSTICE,
Washington, August 21, 1878.

The SECRETARY OF THE TREASURY:

SIR: Yours of the 20th instant states that some of the bonds of the United States bear the date of July 1, 1877, which, by reference, appears to have been *Sunday*, and that upon that account some persons have expressed doubt as to their validity. Thereupon you ask whether there is upon that account any legal doubt as to the validity of those bonds.

The circumstance of the date above mentioned raises no legal doubt as to the validity of the bonds which bear it.

The observance of Sunday is a matter merely of statutory requirement, and there is no statute which covers the case mentioned.

You state that the date is formal and does not designate the day of actual negotiation. I mention this as part of the facts of the case; but even if the bonds had been negotiated upon Sunday, the law would have been the same.

Very respectfully, your obedient servant,

S. F. PHILLIPS,
Acting Attorney-General.

No. 645.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 24, 1878.

DEAR MR. SECRETARY: The money market remains in an unsettled condition, but little change having taken place in it during the present week. The bank returns show that there has been a contraction in its business, and the public and private deposits are lower now than they have been at any time in the current year. The bank has not succeeded in attracting any gold here since its rate was increased to 5 per cent., except the one shipment from America mentioned in my letter of last Saturday, and I hear it stated that the rate may possibly be still further advanced to 6 per cent. French exchange is at a point favorable to this country, and just at this time there happens to be a balance of trade against France. German exchange is against England, and I observe that New York exchange has fallen considerably. It is a very difficult matter to determine from what source England is to draw gold, or how the depleted stock here is to be replenished. Banks are paying 4 per cent. on deposits made with them. The rate of discount for three months' bank bills is 4⅜ to 4½ per cent., and for trade bills it is 4½ to 5 per cent., while six months' trade bills are 5½ per cent. The stock of bullion in the bank is £21,738,957, as compared with £25,323,151 at the same period of last year. The reserve at present is £9,274,542, as compared with £12,119,949 in the same week of last year. The present condition of affairs tends to depress and lower the price of stocks. The prices of our bonds, with the exception of the 6 per cent. 1867s, which have fallen off ¼, have remained almost stationary. Our bonds are now being sent home in payment of the balance of trade. They are very

scarce in the market, and it is difficult to obtain them even at the high prices which are offered for them. A return of the foreign trade of France during the first seven months of the current year and of 1877 shows the following:

IMPORTS.		EXPORTS.	
1877	£83,370,920	1877	£78,034,840
1878	99,240,000	1878	75,238,920

The following figures give the amount of the imports and exports of *gold and silver* for the same period:

IMPORTS.		EXPORTS.	
1877	£17,196,016	1877	£2,997,612
1878	15,129,776	1878	2,362,176

The price of silver is nominally about 52 $\frac{5}{16}$ *d.* per ounce. The business done in that metal is almost wholly confined to the small requirements for the arts. If it were not for the fact that the American supply was absorbed at home, and consequently withheld from the market here, the price would decline still further. I inclose herewith clippings from the Times of dispatches from Paris relating to the doings of the monetary conference.

It is thought here that the conference will adjourn some time next week without having reached any practical results. Rumors have been circulated here to the effect that the products of the silver mines in California and Nevada were rapidly diminishing, &c. Whether such a story was sent out for the purpose of influencing the conclusions of the Paris conference, I am unable to say,

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 646.

Sixty-ninth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 92.
Secretary's Office.

TREASURY DEPARTMENT,
August 26, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the twenty-sixth day of November, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely*:

$50—No. 73001 to No. 74000, both inclusive.
$100—No. 132001 to No. 136000, both inclusive.
$500—No. 92001 to No. 95000, both inclusive.
$1,000—No. 179001 to No. 184000, both inclusive.
Total coupon..... $2,500,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$100—No. 18951 to No. 19100, both inclusive.	
$500—No. 11151 to No. 11200, both inclusive.	
$1,000—No. 37501 to No. 38000, both inclusive.	
$5,000—No. 11401 to No. 11600, both inclusive.	
$10,000—No. 21801 to No. 22550, both inclusive.	
Total registered	2,500,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to the "Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY,
Acting Secretary.

No. 647.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 31, 1878.

DEAR MR. SECRETARY: There has been no special change in the condition of the money market here during this week. The Bank of England has strengthened its position very slightly, principally through an influx of gold, £260,000 in amount, of which sum, however, only £83,000 came from abroad, the balance having been returned from the interior. While the 5 per cent. rate of the bank has failed to attract gold here from abroad, it has been the means of preventing the stock of bullion from a further depletion.

The feeling at this time is that there is no danger to be apprehended of a further reduction in the stock of bullion during the ensuing two or three weeks, but there is some anxiety felt as to how the usual demands in the month of October are to be met. The sources from which this market has formerly obtained its supplies of gold seem to be closed to it with the exception of Australia.

The Bank of Germany has recently raised its rate of interest to 5 per cent. for the sole purpose of protecting its gold, and I notice that in New York exchange has again fallen. Should there be no revival of trade, causing increased demands for money, the present status of affairs may possibly be continued for some length of time without creating any disturbance. There has been for some time past, and is now, but little demand for money except for stock exchange purposes, and for those purposes stock operators have paid the Bank of England 7 per cent. for money during the current week. As I have before mentioned, the scarcity of gold here is the sole cause for the present high rate of interest. The condition of money affairs here is not such as to aid us in re-

suming specie payments, but, on the other hand, I am not prepared to say that it will operate against us. In the balance of trade in our favor something besides gold will have to be used in making payment.

The Bullionist of this day's issue, in an article on "A royal commission on the state of trade," says:

> Nor was the anxiety that has been growing rapidly of late greatly alleviated by the effort to make out, by elaborate statistics, that excessive imports were a symptom of wealth, and that our accumulated capital had been advancing with such rapid bounds that we could well afford to spend the enormous amounts we were spending upon articles of luxury and necessity brought to us from abroad. Of late we have had a very sharp reminder in our inability to attract gold to our shores, that an ounce of fact is more potent than a pound of theory. At a time when money here has grown rapidly dearer, and is double in value what it is in some other European centers, we find ourselves unable to bring here the supply of capital of which we so greatly stand in need. The truth is, our indebtedness to other countries has assumed such large proportions that we are no longer in a position to command supplies of gold as we once could. * * * * * It is no longer possible for us to console ourselves with the idea that our accumulations of capital are so great and have been so progressively increasing that we could pay for the excess of imports over exports without trenching upon our resources," &c.

So long as our bonds can be obtained in this market they will be used as the medium of payment of indebtedness here to us, but the supply has been greatly reduced, and it has now become very small indeed. What is to be substituted for them and in the place of gold I cannot imagine. I sent inclosed in an envelope, addressed to you, on Thursday last, clippings from the Times of an editorial, &c., relating to doings of the monetary conference at Paris. I inclose a clipping from the same journal of yesterday's issue of another editorial on the same subject. We shall close our labors here by Wednesday next. Some time ago we engaged passage for our return home on the 19th September.

With great respect, I remain, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 648.

Mr. Sherman to assistant treasurer United States, New York.

TREASURY DEPARTMENT,
Washington, D. C., September 2, 1878.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Upon my return to the department I have more fully considered your letter of the 7th ultimo, and will adopt the general suggestion you make in regard to the payment of coin. To-morrow I will probably issue a circular letter, silver dollars to be issued to any person in exchange for United States notes, with limits very much as you suggest. I will examine the question more fully and send you a copy of the circular before making it public.

I have also considered the suggestion as to fixing the price of gold, and conclude that it is inadvisable. The premium on gold is now maintained by the great demand for gold to pay customs duties and for four per cent. bonds. We can hardly expect the sale of four per cent. bonds to continue as rapidly as during the last month. My expectation is to sell during the current year about $30,000,000, or enough to cover the

bonds of 1865, and I may offer to receive any of those bonds in payment of four per cent. bonds, but this and the details of the matter are reserved for more careful deliberation. Whatever is done must be by general order and without favor.

I invite any remarks you may desire to make upon the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

Circular relative to the manner in which standard silver dollars may be obtained for circulation in exchange for currency.

1878.
Department No. 94.
Treasurer's Office.

TREASURY DEPARTMENT,
Washington, September 3, 1878.

The Treasurer of the United States has been directed, upon the receipt by him from any person of a certificate, issued by any assistant treasurer, designated depositary, or national bank designated as a public depositary of the United States, stating that a deposit of currency has been made to his credit in general account of the sum of one thousand (1,000) dollars, or any multiple thereof not exceeding ten thousand (10,000) dollars, to cause a shipment to be made from some mint of the United States to the person in whose name the certificate is issued, of a like amount of standard silver dollars, the expense of transportation to be paid by the mint.

Until further notice, upon receipt by the Treasurer of the United States of United States notes or national bank notes sent for redemption, in multiples of $1,000 and not exceeding $10,000, standard silver dollars will be returned under the provisions of this circular.

The sole purpose of this circular is to facilitate the circulation of standard silver dollars for all purposes as currency, but not to authorize their issue for the purpose of being used directly in making those payments to the government which are required to be made in coin, or for deposit to obtain silver certificates; and officers receiving deposits of currency authorized herein are expected, so far as practicable, to see that the object specified is carried out.

Shipments as above indicated, however, will be made only to points in the United States reached through established express lines by continuous railway or steamboat communication.

JOHN SHERMAN, *Secretary.*

No. 650.

Seventieth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 95.
Secretary's Office.

TREASURY DEPARTMENT,
September 4, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 4th day of December, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely*:

$50—No. 74001 to No. 75003, both inclusive.
$100—No. 136001 to No. 138000, both inclusive.
$500—No. 95001 to No. 97000, both inclusive.
$1,000—No. 184001 to No. 189000, both inclusive.
Total coupon $2,000,000

REGISTERED BONDS.

"*Redeemable at the pleasure of the United States after the first day of July, 1870,*" *as follows*:

$50—No. 2451 to No. 2485, both inclusive.
$100—No. 19101 to No. 19120, both inclusive.
$500—No. 11201 to No. 11226, both inclusive.
$1,000—No. 38001 to No. 38400, both inclusive.
$5,000—No. 11601 to No. 12000, both inclusive.
$10,000—No. 22551 to No. 22880, both inclusive.
Total registered 3,000,000

Aggregate $5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 651.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER U. S.,
New York, September 5, 1878.

SIR: I have not had a copy of the circular referred to in your letter of the 2d instant, but have seen a copy received by the Hanover Bank. In so far as it removes restrictions to the free issue of silver it will, in my judgment, operate beneficially.

I notice, however, that the use of the coin in the payment of duties and subscriptions to the 4 per cent. bonds is prohibited, as in the previous circular (July 19), and this I apprehend will reduce the number of applicants very materially, for the reason stated in a previous communication, namely, that the prohibition covers the two chief purposes for which the silver is at present required. As it will be impossible to prevent its use for any lawful purpose after it has passed out of the hands of the persons first obtaining it, or even to make sure that the first applicants will observe the conditions under which they received it, I am inclined to adhere to the opinion that it would be better to remove all restrictions, placing no limitations on the use of silver, or, in other words, treating it as the full equivalent of gold and United States notes in the receipts and disbursements of the Treasury. It would seem that it must

finally come to this, for it will be difficult in the long run to keep up any distinction between silver and gold that is not created by law.

Now, as to the effect of the suggestion, if carried out it must be admitted that it would at the start decrease the payment of gold for duties and subscriptions to the amount of the silver substituted therefor. But as the substitution would have a tendency to reduce the present slight premium on gold by destroying the demand for it, or at least lessening it, the advantage of this reduction in view of resumption might compensate for the loss in gold receipts. Moreover, on the supposition that the unrestricted use of silver would wholly wipe out the premium on gold (a result by no means improbable in the present condition of the foreign exchanges), there would be nothing gained by the substitution of the former for the latter in payments to the Treasury for any purpose, and the relative amount of the two coins that would be used in such payments would be regulated by the supply on the market and the convenience of those having to pay it. Of course I do not mean to say that silver and gold can always be kept at a parity. It would seem to be beyond the domain of legislation to accomplish this, when there is a difference in the intrinsic value, except in the single instance of transactions between debtors and creditors. In all others, the intrinsic or bullion value must finally govern; and measured by that test, the silver dollar, notwithstanding its legal tender quality, must fall nearly if not quite to its bullion value whenever the supply exceeds the demand for the payment of duties or other objects for which it is now in request. This, however, is a question more directly connected with the maintenance of the double standard, and I will, therefore, only add in this connection that it will be very likely to present itself in the future, and that its practical solution will determine whether the addition of the silver dollar to our coinage was on the whole a wise measure.

In addition to the means already provided for increasing the circulation of silver, I cannot forbear again mentioning its substitution for one and two dollar notes. It is so probable, I might almost say certain, that if the notes of these denominations now outstanding were retired the vacuum would be filled by the silver dollar, that it is to be regretted there are objections to such a substitution, growing out of the prejudice of the people in favor of small notes, and the impossibility of reconciling them to any change by the direct action of the Treasury. The presence of these notes in the circulation must, for the present, to a large extent prevent the free use of silver, and it explains the indifference with which the public has so far regarded all the efforts of the Treasury to supply them with the coin. After resumption, however, it is possible that the value of the silver dollar not redeemable in anything may be less than that of a paper note of the same denomination, if redeemed in gold; and should this happen, the public may find itself deprived of its favorite pocket-money by the operation of a national law which it can neither change nor resist. There are one or two other suggestions that occur to me, but I will not trouble the Secretary with them at present.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer U. S.

Hon. JOHN SHERMAN, *Secretary.*

No. 652.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *September* 6, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

DEAR SIR: Your letters of the 4th and 5th instant are received.

It was an oversight that the copy of the silver circular was not sent to you before its publication, and I owe you an apology, as I promised to send it; but the matter was thoroughly considered in connection with your previous letters, and as I had adopted your suggestions to some extent, and did not recall my promise, I did not send it.

In your letter of the 5th, you suggest the payment of silver for all purposes, not only for circulation, but for the payment of bonds and customs duties. This I fully considered, but thought it best for the present to seek to get into ordinary circulation among the people in points remote from ports of entry as much silver as practicable before offering it freely in cities where it would be immediately used for customs duties. If, within a month or so, we are able to reduce our stock of silver to five or six millions, I should not hesitate a moment to offer it then freely in New York and elsewhere, and run the risk of doing without gold revenue for a while.

Mr. Baker will hand you this, and will explain also to you my view of the feasibility and propriety of replacing the silver by purchasing gold, if it should be found expedient, in using greenbacks in the payment of coin liabilities, allowing the difference. I would like your views upon these points.

Very truly, yours, JOHN SHERMAN, *Secretary.*

No. 653.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *September* 7, 1878.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: On and after the 16th day of this month you are authorized, at the Treasury in Washington and at the several subtreasuries in the United States, to exchange standard silver dollars for United States notes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 654.

Assistant Treasurer United States, New York, to Mr. Sherman.

GENEVA, N. Y., *September* 9, 1878.

DEAR SIR: I have received your letter of the 6th instant, and have conferred with Mr. Baker on the suggestions made therein, as well as others bearing on the subject of resumption. I write this at his desire, and in compliance with the request made in your letter.

I assume that you wish, if possible, to entirely do away with the premium on gold before the date fixed for resumption. Should you be able to accomplish this it is highly probable that resumption will take place without any great drain of gold from the Treasury. On the other hand, if at that time there should be a premium remaining sufficient to tempt the cupidity of speculators, or to encourage doubts of the ability of the Treasury to continue the redemption of United States notes in coin (and a slight difference might have that effect), it is equally probable that the demands on the Treasury for coin would be very much increased.

The main question, then, as it seems to me, is, What can be done in the intervening space to bring gold and United States notes to a parity?

I shall confine myself to this point, and a consideration of it will necessarily include a consideration of the suggestions made in your letter, which more or less directly bear in that direction.

One means of destroying the premium on gold would be to do away with the demand for it. The substitution of silver in transactions where gold is now used; would have this effect; but, as it has been referred to in previous correspondence, I will only say here that in the present condition of the foreign exchanges there is ground for a good degree of confidence in the efficacy of such a measure, if the Secretary should think it expedient to submit to the temporary loss of gold revenues that would probably follow.

Another means of promoting the object would be to make it inconvenient to carry large stocks of gold by declining to issue certificates. If it is within the discretion of the Secretary to do this, the risk, labor, and cost of handling the actual coin would make it less desirable in the payment of the coin dues to the government than silver, any amount of which can be exchanged for certificates at the option of the holder. In foreign transactions, where nothing but gold will avail, the demand would of course be the same, and holders might, perhaps, advance the price to purchasers, so as to cover the increased cost of handling; but this could only happen when there was an export demand. It is hardly necessary to observe in this connection that to stop the issue of gold certificates would cause much inconvenience in the payment of duties, unless accompanied with increased facilities for the use of silver for that purpose. The two measures should therefore go together. There is an article in the Bankers' Magazine for September advocating the withdrawal of gold certificates, which has good points, although the correctness of some of the conclusions to which the writer arrives may be questioned.

A third means of accomplishing the object would be to bring the value of United States notes up to that of gold by receiving them in all government transactions the same as gold. The question here is not so much as to the efficacy of the means, but rather as to the authority for its employment, and the effect it would have on the accumulations of gold by the Treasury. On the last point, however, I am inclined to think that in the present condition of our trade relations the worst that could happen (if both United States notes and silver were treated as the equivalents of gold in the payment of dues to the government) would be that the production would remain in private hands, the very accumulation of it there aiding to reduce it to the level of other legal-tender money, when it would be likely to again gravitate towards the Treasury until a foreign demand created a new outlet for it.

I am aware that United States notes, though a legal tender, are not a full equivalent for gold and silver coin, inasmuch as they are neither receivable for duties nor payable for interest on the public debt. But

these restrictions are in effect practically nullified by the power of the Secretary to buy and sell gold. He can sell gold to an importer for United States notes at par, if that is the highest bid, the result being that the duties, although nominally paid in gold, are practically paid in the notes, since these represent the only increase of money in the Treasury when the transaction is finished; or he can buy gold for United States notes, say for the purpose of paying interest on the public debt, on the same terms and with the like effects, so far as the money in the Treasury is concerned, as the decrease would be in the notes.

The power to buy and sell gold may prove a powerful lever, not only in preparing for resumption, but in maintaining it. Indeed, I notice the Secretary has already considered the propriety of using it to make good the silver payments, or, in other words, to keep the stock of coin in the Treasury undiminished. The Secretary is best able to determine whether there is a present necessity of resorting to this expedient, and I will only therefore venture the opinion that it should be used with caution; for any considerable purchases of gold for the Treasury just at this time would be calculated, if made public, to advance the premium, and thus in a greater or less degree counteract other measures operating to reduce it. If it is important that the present slight difference between gold and United States notes should disappear before resumption, it might be better to insure that result, even by the present sacrifice of a moderate amount of coin, rather than to jeopardize it in order to accumulate more. The use of United States notes in the payment of coin liabilities, with an allowance of the difference, as suggested by the Secretary, is, it seems to me, practically another plan for keeping the stock of coin intact. By the former, the drain would be supplied from time to time by purchases; by the latter, it would be prevented by the use of another kind of money. Either plan might protect the gold in the Treasury, but I fear both would be equally open to the objection that they were calculated to increase rather than reduce the premium.

Permit me to add, by way of explanation, that the foregoing suggestions, as well as others you have heretofore permitted me to submit, are based on the proposition that in so far as gold, United States notes, and silver are the legal equivalents of each other they should, as far as practicable, be treated as such in all the operations of the Treasury, as the most effective way, not only of establishing and maintaining a parity between them, but of aiding the operation of natural causes now working so potentially and favorably in bringing us to resumption.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer, United States.

The Hon. JOHN SHERMAN, *Secretary.*

[Indorsement on letter dated September 9, 1878, from assistant treasurer, New York.]

TREASURY DEPARTMENT, *September* 11, 1878.

Referred to Mr. Gilfillan, who will please read this letter carefully.

Some points I would like elaborated a little.

1. Whether gold certificates had not better be discontinued, say by the 1st of November or December, or postponed until the 1st of January?

1. Whether a substitute, in the form of United States notes, prepared in denominations to suit the business, should not be offered in lieu of those certificates?

3. Whether coin might not be purchased at a shade below the market rate, so as not to compete with the market for a rise?

4. Whether, if United States notes are accepted in payment of coin liabilities, the same premium ought not to be allowed?

(I see difficulties in the last two propositions, but it is well to talk over them.)

5. Whether, for minor coin liabilities, and especially in paying small sums of interest or debt, we ought not to use silver dollars, say to the amount of ten dollars?

Any other points that you think ought to be discussed between us.

JOHN SHERMAN, *Secretary.*

No. 655.

The Treasurer of the United States to Mr. Sherman.

TREASURY OF THE UNITED STATES,
Washington, September 12, 1878.

SIR: In regard to the points indorsed by you on letter of Assistant Treasurer Hillhouse of the 9th instant, which letter is herewith returned, my impressions are as follows:

1st. The issue of gold notes should be discontinued at all events by the 1st of January, 1879, to protect the gold in the Treasury.

I am of the opinion it should be discontinued as early as the first of November.

Because the inconvenience, and consequently the clamor, cannot be very great, for the reason that the payments of coin from the Treasury, aside from the redemptions of called bonds, which are in small amounts, will be, for the November interest, not quite $6,500,000 at all the offices, for the December interest about $2,800,000. Because the stoppage of gold notes will, to some extent, facilitate payments of United States notes in lieu of coin.

2d. Eventually, if the necessities and convenience of business require, higher denominations of United States notes might be preferred.

3d. I fear the Secretary cannot be a buyer of gold coin under any circumstances at present without danger of stimulating the premium.

With care I am of the opinion that gold bullion might be bought for United States notes, while there is no demand for bars for shipment.

4th. I am desirous of offering every inducement to coin-creditors to take United States notes in payment.

The disappearance of the gold premium will solve many difficulties under the last two points, numbered by you 3 and 4.

5th. From present appearances the demand for silver dollars, under present regulations, will be all that the Philadelphia mint can supply, without singling out any class of payments to be made therein. When the time comes for action in that particular, would it not be better to pay a certain proportion of every coin demand in standard silver dollars?

Very respectfully,

JAS. GILFILLAN,
Treasurer of the United States.

HON. JOHN SHERMAN,
Secretary of the Treasury.

No. 656.

Circular No. 23.—Distribution of standard silver dollars—(Being Circular No. 22 modified.)

1878.
Department No. 96.
Treasurer's Office.

TREASURY OF THE UNITED STATES,
Washington, September 13, 1878.

For the present, the following-named national banks, designated depositories of the United States, will be supplied by the Treasury, upon

their application, with standard silver dollars from the Mint, free of expense, in accordance with section 3527 Revised Statutes.

It is expected that the coin furnished as above will be put into circulation by being furnished to public disbursing officers; to manufacturing and other establishments; to other banks and bankers for distribution in like manner by them, and generally where it is to be used as current money.

The assistant treasurers of the United States are also authorized to use the standard silver dollars in their vaults for the general purpose approved in this circular.

United States disbursing agents and paymasters who obtain funds for disbursement from assistant treasurers or depositaries are requested to procure standard silver dollars, when practicable, for disbursement.

By direction of the Secretary, this circular is in lieu of all circulars heretofore issued in regard to the distribution of standard silver dollars.

JAS. GILFILLAN, *Treasurer United States.*

LIST OF NATIONAL-BANK DEPOSITORIES.

Granite National Bank of Augusta, Me.
First National Bank of Bangor, Me.
Merchants' National Bank of Portland, Me.
First National Bank of Concord, N. H.
First National Bank of Manchester, N. H.
First National Bank of Portsmouth, N. H.
Merchants' National Bank of Burlington, Vt.
Boston National Bank of Boston, Mass.
Massasoit National Bank of Fall River, Mass.
First National Bank of New Bedford, Mass.
First National Bank of Newburyport, Mass.
Adams National Bank of North Adams, Mass.
Third National Bank of Springfield, Mass.
First National Bank of Worcester, Mass.
First National Bank of Newport, R. I.
First National Bank of Providence, R. I.
First National Bank of Bridgeport, Conn.
Charter Oak National Bank of Hartford, Conn.
Second National Bank of New Haven, Conn.
Thames National Bank of Norwich, Conn.
Merchants' National Bank of Albany, N. Y.
First National Bank of Binghamton, N. Y.
Nassau National Bank of Brooklyn, N. Y.
Farmers' and Mechanics' National Bank of Buffalo, N. Y.
Second National Bank of Elmira, N. Y.
Middletown National Bank of Middletown, N. Y.
Second National Bank of New York, N. Y.
Central National Bank of New York, N. Y.
National Bank of Commerce in New York, N. Y.
First National Bank of Oswego, N. Y.
Fallkill National Bank of Poughkeepsie, N. Y.
Flour City National Bank of Rochester, N. Y.
Third National Bank of Syracuse, N. Y.
First National Bank of Seneca Falls, N. Y.
First National Bank of Troy, N. Y.
Second National Bank of Utica, N. Y.
First National Bank of Allegheny, Pa.
First National Bank of Altoona, Pa.
First National Bank of Erie, Pa.
Keystone National Bank of Erie, Pa.
First National Bank of Franklin, Pa.
Farmers' National Bank of Lancaster, Pa.
First National Bank of Philadelphia, Pa.
Centennial National Bank of Philadelphia, Pa.
Corn Exchange National Bank of Philadelphia, Pa.
Tradesmen's National Bank of Pittsburgh, Pa.
First National Bank of Reading, Pa.
First National Bank of Sunbury, Pa.
Second National Bank of Wilkesbarre, Pa.
First National Bank of York, Pa.
First National Bank of Jersey City, N. J.
Second National Bank of Newark, N. J.
First National Bank of Plainfield, N. J.
First National Bank of Trenton, N. J.
First National Bank of Wilmington, Del.
Farmers' National Bank of Annapolis, Md.
First National Bank of Baltimore, Md.
National Bank of the Republic, Washington, D. C.
Planters' National Bank of Danville, Va.
Exchange National Bank of Norfolk, Va.
First National Bank of Richmond, Va.
Planters' National Bank of Richmond, Va.
National Valley Bank of Staunton, Va.
Bellefontaine National Bank of Bellefontaine, Ohio.
First National Bank of Cincinnati, Ohio.
Third National Bank of Cincinnati, Ohio.
Fourth National Bank of Cincinnati Ohio.
Merchants' National Bank of Cleveland, Ohio.
National Exchange Bank of Columbus, Ohio.
Second National Bank of Dayton, Ohio.

First National Bank of Sandusky, Ohio.
First National Bank of Toledo, Ohio.
Evansville National Bank of Evansville, Ind.
First National Bank of Indianapolis, Ind.
Indianapolis National Bank of Indianapolis, Ind.
Alton National Bank of Alton, Ill.
First National Bank of Centralia, Ill.
Fifth National Bank of Chicago, Ill.
Second National Bank of Peoria, Ill.
Mechanics' National Bank of Peoria, Ill.
First National Bank of Rock Island, Ill.
First National Bank of Springfield, Ill.
State National Bank of Springfield, Ill.
Second National Bank of Detroit, Mich.
City National Bank of Grand Rapids, Mich.
First National Bank of Madison, Wis.
First National Bank of Milwaukee, Wis.
National Exchange Bank of Milwaukee, Wis.
First National Bank of Oshkosh, Wis.
First National Bank of Saint Paul, Minn.
Second National Bank of Saint Paul, Minn.
Davenport National Bank of Davenport, Iowa.
Saint Louis National Bank of Saint Louis, Mo.
First National Bank of Covington, Ky.
First National Bank of Louisville, Ky.
Kentucky National Bank of Louisville, Ky.
Lexington City National Bank of Lexington, Ky.
First National Bank of Chattanooga, Tenn.
East Tennessee National Bank of Knoxville, Tenn.
First National Bank of Memphis, Tenn.
First National Bank of Nashville, Tenn.
Raleigh National Bank of North Carolina, Raleigh, N. C.
People's National Bank of Charleston, S. C.
Atlanta National Bank of Atlanta, Ga.
Merchants' National Bank of Savannah, Ga.
First National Bank of Galveston, Texas.
San Antonio National Bank of San Antonio, Texas.
Merchants' National Bank of Little Rock, Ark.
First National Bank of Leavenworth, Kans.
National Bank of Lawrence, Lawrence, Kans.
First National Bank of Omaha, Nebr.
Omaha National Bank of Omaha, Nebr.
First National Bank of Denver, Colo.
Colorado National Bank of Denver, Colo.
First National Bank of Helena, Mont.
First National Bank of Portland, Oreg.
First National Bank of Yankton, Dak.
First National Bank of Santa Fé, N. Mex.
First National Bank of Walla Walla, W. T.

No. 657.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *September* 13, 1878.

HON. JAMES GILFILLAN, *Treasurer United States:*

SIR: Some question has been made whether the issue of silver dollars in exchange for United States notes before January 1, next, is in entire accordance with the legislation of Congress bearing on the subject, and, therefore, you will please postpone the execution of department order of the 3d instant until further instructions, and withhold from transmission to assistant treasurers the order of the 7th.

Silver dollars will be issued as heretofore, in the purchase of silver bullion, in payment of coin liabilities, and in the mode pointed out in your order of July 19, as modified.

With a view of their payment on currency liabilities, you will request that each disbursing officer estimate the amount he can conveniently disburse.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 658.

Seventy first call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 97.
Secretary's Office.

TREASURY DEPARTMENT,
September 16, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 16th day of December, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$100—No. 138001 to No. 140000, both inclusive.	
$500—No. 97001 to No. 99000, both inclusive.	
$1,000—No. 189001 to No. 193000, both inclusive.	
Total coupon	$2,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1*st day of July*, 1870," *as follows:*

$100—No. 19121 to No. 19150, both inclusive.	
$500—No. 11227 to No. 11250, both inclusive.	
$1,000—No. 38401 to No. 38650, both inclusive.	
$5,000—No. 12001 to No. 12100, both inclusive.	
$10,000—No. 22880 to No. 23540, both inclusive.	
Total registered	3,000,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 659.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *September* 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Not having had any definite understanding with you regarding the gold still in the hands of the members of the syndicate against collaterals deposited in the assistant treasury here, we shall be much obliged by your kindly informing us of your wishes regarding its repayment into the Treasury. We beg to suggest, that as the gold premium keeps up it might be good policy to leave the gold for some time yet in the market.

We shall be pleased to hear from you by an early mail, and remain,

Yours, very respectfully, AUGUST BELMONT & CO.

No. 660.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *September* 20, 1878.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Againt referring to your letter of the 18th instant, I have to advise you that the department expected that by the 1st of October next the remainder of the coin due upon the 4½ per cent. bonds, both from the American sales and those made in London, would be paid into the Treasury, and it is deemed best that this be done, so that the account of this loan may be closed as soon thereafter as the books can be made up.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 661.

Mr. Sherman to Mr. Baker, Chief of the Loan Division.

TREASURY DEPARTMENT, *September* 26, 1878.

DANIEL BAKER, Esq.,

Chief of the Loan Division, Treasury Department:

SIR: I inclose herewith a copy of a letter to the Treasurer, and wish you specially to see that this order is in every case enforced.

No doubt most depositaries will place the coin to their credit within the period of the call outstanding when subscriptions are made, according to the circular of the 1st ultimo, but if this is not done the deposit must be withdrawn at the expiration of ninety days from the date of subscription.

Very respectfully, JOHN SHERMAN, *Secretary.*

Mr. Sherman to United States Treasurer.

TREASURY DEPARTMENT, *September* 26, 1878.

Hon. JAMES GILFILLAN, *United States Treasurer:*

SIR: In furtherance of our conversation to-day I have to request that where deposits with national banks on account of subscriptions to the 4 per cent. loan have not been paid into the Treasury within ninety days after the deposit was made, you will at once draw for the amount of such deposits, to be forthwith paid into the Treasury, and as such deposit accrue under this rule, you will make such withdrawals until the whole is paid.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 662.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *September* 30, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury, Washington:*

DEAR SIR: The assistant treasurer of this city has notified us of your desire to have the balance of the gold still in the hands of the members

of the syndicate paid into the Treasury, one-third on the 1st of October, one-third on the 10th and the remainder on the 21st of that month, which will meet with prompt compliance.

In the mean time we beg again to request, that you will kindly cause the account with the syndicate to be closed at an early day, and the balance due for commission and interest to be remitted to us. The Messrs. Rothschild are very anxious to receive the final settlement of the account, and we shall consider it a special favor if you will kindly have the matter attended to.

You are aware that the balance of gold referred to above, though in the hands of the members of the syndicate, is really on desposit with the First National Bank of this city as a United States depository, and that the payments under the contract have in effect all been made by certificates of deposit of that bank, so that the non-return of the gold need not delay the settlement with the syndicate.

Trusting you will comply with our request at an early day, we remain,

Very respectfully, yours, AUGUST BELMONT & CO.

No. 663.

Mr. Upton to Mr. Edgerton.

TREASURY DEPARTMENT,
Washington, D. C., September 30, 1878.

D. W. C. EDGERTON, Esq., *Chillicothe, Mo.:*

SIR: In reply to your letter of the 25th instant, asking if greenbacks will be a legal-tender for debts between individuals after the resumption act shall have taken effect, I have to inform you that I know of no law which will affect their legal-tender quality after that time.

Very respectfully, J. K. UPTON, *Chief Clerk.*

No. 664.

Mr. Upton to Mr. Curtis.

TREASURY DEPARTMENT,
Washington, D. C., October 2, 1878.

T. D. CURTIS, Esq., *Editor Utica Republican, Utica, N. Y.:*

SIR: Your letter of the 30th ultimo is received. After resumption national bank notes will be redeemed as heretofore in United States notes.

The legal-tender quality of the United States notes will remain after resumption as before, and the circulating notes of national banks are redeemable in United States notes.

Very respectfully, J. K. UPTON, *Chief Clerk.*

No. 665.

Mr. Olcott to Mr. Sherman.

ALBANY, N. Y., *October* 5, 1878.

Hon. JOHN SHERMAN:

DEAR SIR: The movement of the people for an excessive issue of greenbacks is too serious to be treated with unconcern. Many of its

advocates are men of character and influence, whom denunciation is more likely to irritate than to convince, and though we may fail to reach the designing and the ignorant, yet much may be gained by manifesting a spirit of fairness and conciliation. It becomes us, I think, to yield just so much and to go just so far as prudence will allow and safety will justify. Allow me then to ask three minutes of your time to the few suggestions which I beg to submit.

I would have the Comptroller of the Currency authorized by Congress to issue notes for circulation to all State banks upon the same terms and conditions upon which national banks base their issues; and said notes to be received in all payments to the government the same as national bank notes, with authority for the Secretary of the Treasury to designate at his pleasure any of said State banks as depositories. This will leave each State free to create and regulate banking within its own borders, except in the matter of circulation. It will increase the paper circulation and a consequent demand for government bonds, and it would add a new element of strength to national banks by the alliance and identity of interest thus created. I confess to no fears of a redundant currency thus secured and redeemable at par, as provided by the currency act, at some center of business.

I would prohibit the issue of notes of less amount than $5, as a measure of great importance alike to banks and the public. A severe curtailment of a purely paper currency is pregnant with disaster and nothing else. It makes money scarce without affording the slightest relief, and is an unmitigated evil. Whereas a circulation composed partly of coin affords instant relief when curtailed, and just in the ratio that the coin bears to the paper in circulation. Thus panics are mitigated in their duration and intensity by the support which coin gives to paper issues. Pennsylvania restrained the issue of small notes years ago, and this State followed suit in 1835 with complete success, but unfortunately some years later, during a general suspension of specie payments, the restraining act was repealed. It will, of course, require a considerable amount of silver to fill the place of small notes. When the redemption act passed I regarded it as impossible to resume in gold alone; and though our foreign exchanges and your financial measures give a new aspect to this question, I fully believe that our bankers who have so generally opposed the silver question will soon discover the advantages of silver as a reserve. The opposition to silver has given strength to the paper inflationists, and well it might in the light in which the masses regard this question.

I have regarded silver currency as measurably meeting the demand for more circulation and as affording protection, at least to some extent, against excessive issues of paper money. Silver is slowly produced, and cannot occasion great and sudden fluctuations. Labor enters into its worth, and it has a world-wide commercial value, and has the sanction from remote ages to the present time for its use as currency. But the government printing press is the reverse of all this, and when put in motion, not for the defense and preservation of the nation, but through amazing misconception of consequences, we may look for all the evils of a worthless currency. I would therefore, as a slight additional defense against the prevailing heresy of paper inflationists and to add a little to the currency, make the trade dollar a legal tender.

I believe that the demand for silver will greatly exceed its authorized coinage. All interior banks will want a moderate supply, and banks in our large cities will, I am confident, want large supplies, and that too a little in advance of the day fixed for resumption.

I also think that the currency act can be amended in a few particulars with advantage to all concerned.

I have the honor to be, with the highest consideration, your obedient servant, THOMAS W. OLCOTT.

No. 666.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, October 9, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: The act of Congress approved January 14, 1875, requires the Secretary of the Treasury to redeem in coin, on and after January 1, 1879, the United States legal-tender notes then outstanding, upon presentation at the sub-treasury in New York, and makes provision for such redemption by authorizing the sale of certain bonds.

The subscriptions you are now receiving for the 4 per cent. consols are, we understand, in part for the above purpose, and in part for the refunding of 6 per cent. bonds.

We write to inquire whether you will agree to redeem for any national bank, on and after January 1, 1879, an amount of legal-tender notes corresponding to the subscriptions it may make for the 4 per cent. loan under the terms of your recent circulars, between this time and January 1.

Our purpose in making this stipulation is to promote the sales of the loan and to enable the banks to transact safely the business in which they act only as agents for the government.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 667.

Mr. Sherman to Mr. Olcott.

TREASURY DEPARTMENT,
Washington, D. C., October 9, 1878.

THOMAS W. OLCOTT, Esq., *Albany, N. Y.:*

SIR: Your letter of the 5th instant has been received and duly considered.

To comply with the suggestions made by you as to issuing notes for circulation to State banks, and prohibiting the issue of small notes, would require the authority of Congress.

The difficulty of your proposition is that it is known that neither the present nor the next Congress will pass either measure, the prejudice being strong, not against United States notes, but against national banks, and the tendency in Congress will be rather to abolish national banks than to increase the issue to them or to State banks. As to the small notes, the newspapers are unanimous and clamorous for their issue and circulation, so that I think it would be useless to ask Congress to limit their circulation.

Silver, no doubt, will be used, as you suggest, as reserves in banks,

and will be absorbed much more largely than many suppose in circulation among the poorer classes. In view of all the circumstances, I think the better way is to stand firmly by the present law, to work out resumption by it and through it, and when resumption is an accomplished fact, we may be able to judge of such auxiliary measures as experience may show to be necessary.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 668.

Mr. Sherman to Treasurer of the United States.

TREASURY DEPARTMENT, *October* 9, 1878.

Hon. JAMES GILFILLAN,
Treasurer of the United States:

SIR: The First National Bank of the city of New York represents that while the order of the 7th of September in regard to paying out silver was outstanding, it sold upon a circular issued by it based on said order $1,797,600 four per cent. bonds, and claims that in consideration thereof we should pay silver coin on United States currency drafts to an amount sufficient to pay for said bonds.

To the extent that actual sales were made pending that order, I think it right that this request should be complied with, and I refer the inclosed papers to you to ascertain in any mode you deem best the actual sales made by the bank during the pendency of the order of September 7. You are authorized to pay, from time to time, at your discretion, silver or currency drafts to the amount so found.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 669.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *October* 10, 1878.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 9th instant is received, in which you inquire whether this department will agree to redeem for any national bank on and after January 1, 1879, an amount of legal-tender notes corresponding to the subscriptions it may make to the four per cent. loan, under the terms of department circulars, between this time and January 1.

In reply, I have to say that all the subscriptions to the 4 % consols during the present year have been exclusively for the refunding of six per cent. bonds, and the proceeds will be so applied until all outstanding calls are covered.

Then it will be for the department to determine whether it will strengthen its reserve in view of resumption, or will continue to apply the proceeds of these bonds for refunding purposes.

Under existing law this depaatment is required to and will redeem in coin on and after January 1, 1879, United States legal-tender notes on presentation at the sub-treasury in New York, and if this law remains

in force the department is entirely confident of its ability to maintain this resumption.

The department does not anticipate any change in the law that would operate to prevent this, but cannot stipulate against any act which Congress in its judgment may pass.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 670.

Mr. Sherman to Mr. Fish.

TREASURY DEPARTMENT, *October* 10, 1878.

EDMUND FISH, Esq., *Hillsboro, Ills.:*

SIR: In reply to your letter of the 7th instant, asking if resumption means that greenbacks are to be destroyed as fast as redeemed, I have to inform you that the act to forbid the further retirement of United States legal-tender notes, approved May 31, 1878, provides as follows: "That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury, or other officer under him, to cancel or retire any more of the United States legal-tender notes. And when any of said notes may be redeemed or be received into the Treasury under any law from any source whatever, and shall belong to the United States they shall not be retired, cancelled, or destroyed, but they shall be reissued and paid out again and kept in circulation." The postal card inclosed in your letter is herewith returned.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 671.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, October 11, 1878.

SIR: In my letter of September 9 I suggested that a discontinuance of the practice of issuing gold certificates on deposits of gold coin would have a tendency to reduce the premium. It seems to me that it might also materially aid in preventing a drain of gold from the Treasury after resumption.

With gold and United States notes at par on the 1st of January next no gold will be withdrawn for the purpose of immediate profit, and the demand for it, beyond what may be required for business purposes, will come from the class who doubt the ability of the Treasury to maintain a parity between gold and United States notes, and desire to exchange the notes for gold whilst the opportunity is open to them.

To this class, as well as banks and other corporations influenced by similar doubts, the ease with which large amounts of gold can be carried in the form of certificates without the slightest risk or expense to the holder, will be a powerful inducement to make the conversion.

They will reason that in any event the gold must always be as valuable as the notes, whilst by the substitution of certificates for the actual coin it must be just as convenient to hold.

To withdraw the certificates would at once create an objection to conversion which would be likely to deter all but the most timid from resorting to it.

With no immediate advantage or profit to be gained by it, a possible future benefit would scarcely make up for a certain present inconvenience and loss.

The foregoing suggestions, it seems to me, are not wholly inapplicable to another class, the holders of the public debt. It is not at all certain (the certificates being no longer to be had) that the majority of this class would prefer to receive their interest in gold coin, often in large amounts, rather than in United States notes, at all times convertible into it, the same as the certificates.

United States notes, after resumption, will practically be the same as gold certificates, so far as their convertibility into gold coin is concerned, and they will continue to be a legal tender. So long, then, as they can be kept at par with gold, it is not improbable that they will be frequently preferred to gold in payments by the government, and accepted freely instead of the gold, and as a substitute for the gold certificates.

I beg leave to explain here that the good effects of a withdrawal of gold certificates, in preventing a drain of gold from the Treasury after resumption, will depend on the relations then existing between gold and United States notes. I have assumed that there will be no premium on gold at that time, or, in other words, that gold and United States notes will be at par.

Should there be a premium on gold, the desire to convert United States notes into it will be in proportion to the profit to be realized from the conversion.

With a difference large enough to overbalance the inconvenience and expense of handling the coin, a discontinuance of the issue of certificates might not lessen or even check the demand for it, though the suggestion may be worth considering for other reasons.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 672.

Mr. Hawley to Assistant Treasurer United States, New York:

TREASURY DEPARTMENT, *October* 14, 1878.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: You are authorized, until otherwise directed, to pay any outstanding called bonds at any time before the maturity of the call, with interest accruing thereon to and including the date of presentation.

In redeeming registered bonds previous to maturity, as above authorized, please consult the list of caveated bonds which is furnished you by this office.

Very respectfully,

JOHN B. HAWLEY,
Acting Secretary.

No. 673.

Mr. Sherman to Mr. French.

Assistant Secretary FRENCH:

By reason of the great convenience that would result to the public business, I think of directing that the assistant treasurer at New York be represented in the clearing-house in that city, and have to request you to examine whether under existing law such arrangement is within the power of this department. Your attention is called to the letter of the assistant treasurer in New York of December 24 and the reply of this department of December 28, 1875, herewith. In view of the resumption of specie payments, and the advisability of facilitating payments through the clearing-house rather than over the counter, it may become important, if there is any defect in the law, to apply to Congress for the necessary legislation. JOHN SHERMAN, *Secretary.*

OCTOBER 29, 1878.

No. 674.

Deputy Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STALES,
New York, October 30, 1878.

SIR: Attention has been called to the fact that the 10th day of November, 1878, the day upon which the bonds of the sixty-seventh call will mature, will fall upon Sunday.

I therefore beg leave to be advised whether bonds falling within such call are to be considered as maturing upon the preceding or upon the following day, and also whether in paying such bonds at maturity interest shall be reckoned to and including such preceding or following day or to and including the day named in the call?

I am, sir, your obedient servant, C. H. PATTERSON,
Deputy Assistant Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 675.

Mr. Sherman to Deputy Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *October* 31, 1878.

C. H. PATTERSON, Esq.,
Deputy Assistant Treasurer United States, New York:

SIR: In reply to your inquiry of the 30th instant, I have to inform you that interest on all called bonds is allowed to and including the day preceding the date of maturity, thus the bonds of the sixty-seventh call, which matures on November 10, should be redeemed with interest to and including November 9. When a call matures on Sunday, the bonds embraced therein may be redeemed on the Saturday preceding.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 676.

Deputy Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, October 31, 1878.

SIR: As the 5th day of November, 1878, the maturity date of the sixty-fifth call for redemption of bonds, will be the annual election day in this State, and therefore a holiday, I beg to know whether payments under said call shall be made upon the 4th of November or upon the 6th, and also what date shall be taken as maturity in calculating interest upon bonds in said call? Similar inquiry was yesterday made regarding November 10, 1878.

I am, sir, your obedient servant,

C. H. PATTERSON,
Deputy Assistant Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 677.

Mr. Sherman to Mr. Graves, Treasurer's Office.

TREASURY DEPARTMENT, *October* 31, 1878.

SIR: You are hereby directed to proceed to New York, and, in connection with some one to be designated from his office by the assistant treasurer in that city, examine and verify all securities on deposit with him as collateral on account of subscriptions to the funded loans of the United States, and to report to me in writing the amount and kind of securities found and for whom held.

The assistant treasurer will render every facility in his power for your speedy compliance with this order upon the exhibition of this letter.

Very respectfully, JOHN SHERMAN, *Secretary.*

Mr. E. O. GRAVES, *Treasurer's Office.*

No. 678.

Mr. Sherman to Deputy Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *November* 1, 1878.

C. H. PATTERSON, Esq.,
Deputy Assistant Treasurer United States, New York:

SIR: In reply to your inquiry of the 31st ultimo, you are advised that bonds of the sixty-fifth call which matures on the 5th instant (election day) may be redeemed on Monday, the 4th instant, with interest to and including that day.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 679.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, November 4, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Receiving last week several notifications from the Treasurer United States of payments to be made by us on account of sales of 4 per cents, we had our Mr. French call upon him on Saturday to say that it is our purpose to make these payments, as we have done heretofore, with reference to the maturities of the subscriptions, and, at the same time, with a view to the least possible disturbance of the markets. We know that you wish to manage these payments so that we shall not, by making gold scarce in the market, check the declining tendency of the premium, and so that we shall not, by making money too active, stop the sales of the 4s.

Our total credits to Treasurer United States to 31st August on this account were $31,739,145.85, this representing all payments maturing, under strict construction of the three-months' rule, up to 30th November.

On account of these we have already paid	$12,714,660 94
We have called bonds to apply as redeemed	8,828,650 00
	21,543,310 94
Leaving to pay in November	10,195,834 91
	31,739,145 85

Now we shall apply upon this $10,000,000 all further amounts of called bonds that we can reach in our business, and the remainder we shall provide for in coin during the month.

In order to determine the times and amounts of our deposits, so that they shall not conflict with other payments into the Treasury, it will be useful if you will send us a memorandum of the amounts for which the Treasurer will call on other banks during the month, giving the date, name, and amount of each, and we will arrange our deposits to suit.

Of course, we refer only to large payments, say, $100,000 or more, and you will bear in mind that whether or not the subscriptions are made here the gold is generally furnished by New York.

Respectfully, H. C. FAHNESTOCK, *V. P.*

Since writing the above we have made a further deposit of $500,000 coin.

No. 680.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *November* 5, 1878.

SIR: I am in receipt of your letter of the 4th instant, in which you refer to the state of the account of the Treasurer of the United States with your bank as a depository of coin on account of the subscription to the 4 per cent. loan. You also refer to the notifications from the Treasurer of payments to be made by you on the above account in accordance with the terms of circulars of this department dated June 20 and August

1, 1878, and in accordance with general written instructions to him from the Secretary of the Treasury.

The statement in your letter of the present condition of the account is found to agree with the Treasurer's books as to the amount already due from your bank and the amount to become due before the close of the current month. The department is in accord with you in your disinclination to disturb the market, which doubtless can be best avoided by prompt compliance with the requests of the Treasurer, gradually transferring the coin to the Treasury, thus obviating a sudden withdrawal of a large amount under accumulated demands at a later date. All other banks have responded promptly to similar drafts without unfavorable effect upon the market.

There does not at this time seem to be occasion for complying with your request to be furnished with a memorandum of the amount for which the Treasurer will call on other banks during the present month, as it is not believed that those calls will be such as to affect the market unfavorably. Don't fail to make the deposits within this month as you propose.

Very respectfully, JOHN SHERMAN, *Secretary.*

H. C. FAHNESTOCK,
Vice-President First National Bank, New York.

No. 681.

Mr. French to Mr. Sherman.

TREASURY DEPARTMENT,
Washington, D. C., November 5, 1878.

To the SECRETARY:

In reply to your memorandum as to being represented in the clearing-house in New York by the assistant treasurer, I have to say:

1. I have read the constitution of the New York Clearing House Association herewith transmitted, and it seems to me that the department can hardly consent to submit its representative to the rules as to admission fees, suspension of members, and fines, contained in sections 18, 23, and 27.

2. The provisions in section 3651 Revised Statutes seem to me inconsistent with the proposition that the assistant treasurer may occupy the position of a member of the clearing-house. The requirement that a disbursing officer shall cause funds furnished him in drafts "to be presented at their place" of payment and properly paid according "to law, and shall make his payments" in the money so received for the drafts "furnished," &c., is inconsistent with what I understand to be the practice of the clearing-house.

3. Section 3639 Revised Statutes seems to prohibit the assistant treasurer from "exchanging" for other funds than as specially allowed "by law" any public moneys collected by him.

4. Section 3620 Revised Statutes, as amended, contains a provision that every disbursing officer shall draw for moneys only in favor of the person to whom payment is made.

5. The whole theory of the Treasury law is based upon the idea that the funds of the United States shall not be in any way mingled with or exchanged for other funds; but that they shall be wholly disbursed by the officers of the Treasury.

I am not familiar with the operations of the clearing-house, and my suggestions, no doubt, are crude. I will venture to suggest, however, that, if the clearing-house will agree to accept greenbacks in payment of coin checks of the United States which they may receive, this will give to the Treasury all the advantages which it could gain by representation in the clearing-house.

If they will not do this, I am not able to see what advantage a representation in the clearing-house will bring to the Treasury as regards resumption.

Very respectfully, H. F. FRENCH,
Assistant Secretary.

No. 682.

The Comptroller of the Currency to Mr. Sherman.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE CURRENCY,
Washington, November 5, 1878.

SIR: During my late visit to New York City the proposition for the admission of the assistant treasurer of the United States as a member of the Clearing House Association was discussed.

The proposition is favored by the banks generally, and it is believed that the representation of the Treasury Department in the clearing-house will facilitate the transaction of business between the department and the banks, and I therefore respectfully suggest that application be made for the admission of the assistant treasurer in New York to the Clearing House Association, provided it shall be found that there is no legal objection thereto.

Very respectfully, JNO. JAY KNOX, *Comptroller.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 683.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, November 6, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of yesterday and are glad to find that you concur in the propriety of paying the amount due this month gradually rather than in large and disturbing blocks.

We have no desire whatever to postpone payments, and you may count upon our depositing what the market will allow—say $400,000 to $500,000 per day (in coin and called bonds) which will be sufficient to extinguish the amount due this month before its close.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

Above deposits will be in addition to the amount of called bonds mentioned in my letter of 4th, and will make up the balance of ten million dollars then spoken of.

No. 684.

National Bank of the State of New York to Mr. Sherman.

THE NATIONAL BANK OF THE STATE OF NEW YORK,
New York, November 7, 1878.

To the SECRETARY OF THE TREASURY,
Washington, D. C.:

DEAR SIR: Since the receipt of your circular letter dated October 1, in regard to subscriptions to the 4 per cent. loan of 1907, we have understood that payments of all subscriptions are subject to your order. Constant inquiries are being made of us to know whether the former allowance of 90 days will be made on present subscriptions.

We have a special instance of a customer who is willing to take from $100,000 to $500,000 of the bonds, provided the 90 days will be allowed as heretofore.

Will you favor me with a definite understanding of these points, and oblige,

Yours respectfully, R. L. EDWARDS, *Cashier.*

No. 685.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, November 7, 1878.

DEAR SIR: I very much regret that the state of my health and the pressure of business will prevent the acceptance of your kind invitation to accompany the committee of the clearing-house to Washington to-morrow.

I beg leave to assure you, however, that I fully approve the object in view, if, as is understood, it is to bring this office and the banks of this city into closer relation with each other.

The plan of going into the clearing-house was proposed in correspondence with the department several years ago, as a remedy for the risk incurred in the collection of checks, and if there are no legal impediments in the way, it would very much simplify the business of the office if it could be adopted. The effect in connection with resumption would also I think be good, as it would place the banks and the Treasury on the same footing with respect to the use of United States notes in settlements, and thus aid in maintaining them at par with gold in all the vast transactions connected with our internal trade and commerce. I have not given the question sufficient thought to speak with confidence, but it seems to me it is a very important one, and well worthy of careful consideration.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

The Hon. JOHN SHERMAN, *Secretary.*

No. 686.

Mr. Sherman to National Bank of the State of New York.

TREASURY DEPARTMENT,
November 9, 1878.

R. L. EDWARDS, Esq.,
Cashier National Bank of the State of New York, New York:

SIR: In reply to your inquiry of the 7th instant concerning the length of the period during which deposits on account of subscriptions to the 4 per cent. loan may be held by depositary banks, I have to say that the moneys deposited can be used only in payment of called bonds, and to meet the calls as they mature, the coin must be available in some sub-treasury office; and while I am desirous of affording every reasonable facility to subscribers in making their payment for subscriptions, I do not deem it advisable to fix any definite period for the deposits to remain in the banks.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 687.

Mr. Sherman to Assistant Treasurer of the United States, New York.

TREASURY DEPARTMENT,
Washington, D. C., November 9, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer of the United States, New York:

SIR: You will receive through the Treasurer the formal authority to arrange with the clearing-house for the collection and payment of drafts, the two first clauses taking effect as soon as you arrange the details, and the third on the 1st of January next. These propositions have been carefully compared with the law, and not only in my opinion, but in that of the Attorney-General and Secretary of State, do not conflict with it. The details must necessarily be left to your arrangement with the clearing-house. It is important to have them carried out with a view to promote the ends proposed.

Please advise me directly any arrangements or details that may be concluded upon in the matter.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 688.

Mr. Gilfillan to Mr. Hillhouse.

TREASURY OF THE UNITED STATES,
Washington, November 9, 1878.

SIR: By direction of the Secretary, I have the honor to request that you will submit to the Clearing House Association of the banks of your city the following propositions, and, upon obtaining the assent of the association to them and communicating that fact to the department, you are expected to act in conformity with them.

1st. Hereafter, drafts drawn upon any bank represented in the Clear-

ing House Association in the city of New York received by the assistant treasurer in that city may be presented to such bank at the clearing-house for payment.

2d. Hereafter, drafts drawn on the assistant treasurer at New York may be adjusted by him at the clearing-house and the balances due from the United States may be paid at his office in United States notes or clearing-house certificates.

3d. After the 1st of January next, payment of checks presented to the assistant treasurer by any bank connected with the clearing-house may be made by him in United States notes.

Very respectfully,

JAS. GILFILLAN,
Treasurer United States.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York.

No. 689.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, November 11, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 9th instant, and to report that I have submitted the propositions contained in the communication from the Treasurer, to which you refer, to the clearing-house.

I understand a meeting has been called for to-morrow, for the purpose of considering them, and I have little doubt that they will be accepted. In that event we shall be prepared to carry out the plan proposed, as soon as the necessary details have been settled, of which I will advise you hereafter.

I shall be disappointed if the arrangement does not work beneficially, both in simplifying the mode of transacting business with the banks, and in bringing them into closer relations with the government, for the realization of objects in which they have a common interest.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 690.

American Exchange National Bank, New York, to Mr. Sherman.

NEW YORK, *November* 12, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: I take pleasure in informing you that the Clearing House Association, at a meeting to-day, attended by representatives of nearly all the banks, listened with great interest to the report of our committee of their recent satisfactory interview with you in Washington, and cordially approved of the views presented by us. They also adopted by unanimous vote the recommendation therein.

You may now feel assured of the zealous co-operation of the banks in your efforts to secure and maintain resumption. Banks in other cities

are earnestly invited to unite in this action by sending them copies of our proceedings.

Very respectfully, your obedient servant,

GEO. S. COE, *President.*

No. 691.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, November 12, 1878.

DEAR SIR: I write to advise you that the propositions submitted to the Clearing House Association in conformity with your instructions, were accepted at a meeting of the association held to-day. I have as yet no official notice of what was done, but will in all probability be officially advised to-morrow, when we shall immediately proceed to settle matters of detail. These will of course be submitted for your approval before the arrangement goes into effect.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 692.

Mr. Camp to Mr. Sherman.

NEW YORK CLEARING HOUSE,
14 *Pine Street, New York, November* 12, 1878.

SIR: I have the honor to report that a meeting of the Clearing House Association was held this day at the clearing-house. Fifty out of fifty-eight banks, members of the association, being present, the following resolutions were unanimously adopted:

Resolved, That in order to facilitate the payment of drafts and checks, between the Treasurer of the United States and the associated banks, the manager of the New York Clearing House is authorized to make such an arrangement with the assistant treasurer as will accomplish that purpose through the medium of the clearing-house.

Resolved, That the reported interview between the members of the clearing-house committee and the Secretary of the Treasury, with the views expressed by them to him, in the paper presented to this meeting upon the subject of the restoration of specie payments, meets the cordial approbation of this association, and that the practical measures recommended for the adoption of the banks in respect to their treatment of coin in their business with the public, and with each other, be accepted and carried into practical operation; and, in pursuance thereof, it is hereby further

Resolved, That the associated banks of this city, after the 1st of January, 1879, will, 1st. Decline receiving gold coins as "special deposits," but accept and treat them as lawful money; 2d. Abolish special exchanges of gold checks at the clearing-house; 3d. Pay and receive balances between banks at the clearing-house, either in gold or United States legal-tender notes; 4th. Receive silver dollars upon deposit only, under special contract to withdraw the same in kind; 5th. Prohibit payments of balances at the clearing-house in silver certificates, or in silver dollars, excepting as subsidiary coin, in small sums (say under $10); 6th. Discontinue gold special accounts, by notice to dealers, on 1st of January next, to terminate them.

Resolved, That the manager of the clearing-house be requested to send copies of the proceedings of this meeting to clearing-houses in other cities, with an expression of the hope that they will unite in similar measures for promoting the resumption of coin payments.

Very respectfully, W. A. CAMP, *Manager.*

Hon. JOHN SHERMAN, *Secretary, Washington, D. C.*

No. 693.

1878.
Department No. 118.
Secretary's Office.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., November 13, 1878.

Any person subscribing hereafter for 4 per cent. bonds, consols of 1907, authorized by the act of July 14, 1870, may pay for them with any of the five-twenty bonds of the act of March 3, 1865, "redeemable at the pleasure of the United States after the 1st day of July, 1870," in the same way as if they were called at the date of subscription in regular course; but the subscriber, to avail himself of this privilege, must accompany the subscription with a full description of such bonds by numbers and denominations, and must, within thirty days thereafter, forward the bonds to this department to be applied like called bonds.

Of the amount issued of the above-described five-twenty bonds there is now outstanding and uncalled the amount of $26,085,750.

JOHN SHERMAN, *Secretary.*

No. 694.

Mr. Sherman to American Exchange National Bank, New York.

TREASURY DEPARTMENT,
Washington, D. C., November 13, 1878.

GEORGE S. COE,
President American Exchange National Bank, New York:

SIR: Your letter of yesterday, advising me of the adoption by the Clearing House Association of the result of our recent interview, is received with much pleasure.

The end we all aim at, a specie standard and a redeemable currency, is greatly promoted by the judicious action of the banks, and I will with greater confidence do my part officially in securing the maintenance of resumption.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 695.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, November* 14, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: I beg to confirm the following dispatch sent you this day:

"A call now would materially stimulate subscriptions, as there is a growing active demand for bonds since election. To facilitate this, we are willing to withdraw our uncalled bonds, have subscription against them entered as payable in coin, and make amount up to five millions by additional subscription; or, if preferred, you may cancel those subscriptions and yesterday's, and we will make a fresh one of five millions to-day to cover call. This would not, then, interfere with your reserving proceeds recent sales if desired. Please answer."

To which we have your reply, and await letter.

Our proposition is substantially to transfer our present subscription, payable in bonds	$3,000,000
Yesterday's coin subscription	500,000
And additional subscription of	1,500,000
Into one subscription of	5,000,000

payable in coin, on which you can make an immediate call.

Very respectfully, GEO. F. BAKER, *President.*

No. 696.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *November* 14, 1878.

GEORGE F. BAKER, Esq.,
President First National Bank, New York:

SIR: I am in receipt of your dispatch of this date, in which you state that a call would materially stimulate subscriptions, and to facilitate this you are willing to withdraw your uncalled bonds and have subscriptions against them entered as payable in coin, and make the amount up to $5,000,000 by additional subscriptions.

In reply, I would state that I am not inclined to make a further call until all existing calls shall have been covered and an amount of $5,000,000 4 per cent. bonds sold on account of resumption to cover a large contingency.

As soon as this shall have been accomplished, calls will issue in advance of subscriptions, as heretofore.

Should you desire, upon receipt of this letter, to withdraw your uncalled bonds and substitute a coin subscription, bearing the same date, there will be no objections to your so doing.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 697.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES TREASURER,
New York, November 14, 1878.

SIR: I have the honor to inclose herewith copy (marked A) of my communication to the manager of the clearing-house, of the 11th instant, submitting certain propositions as directed by the Treasurer in his letter to me of the 9th instant.

Also, copy (marked B) of the reply of the manager, of the 12th instant, in which is set forth a resolution passed at a meeting of the association held on the 12th instant to consider these propositions.

Also, copy (marked C) of a memorandum of details as agreed on by the manager and myself to carry out the arrangement contemplated in the propositions and resolution.

Also, printed copy (marked D) of the constitution of the Clearing House Association, with amendments. These papers are respectfully submitted for your consideration in conformity with the instructions

given me in your letter of November 9, and in that of the Treasurer of the same date. I shall await your approval of them before taking the final step of appearing at the clearing-house.

And inasmuch as even a qualified membership in the association must of necessity involve an observance of its rules and regulations in the payment of checks, I respectfully request that you will authorize me to conform to them in all cases where this office may not be specially exempted from their operation.

I make this request because the rules of the association, though framed so as to reduce the risk in payments as much as possible, differ nevertheless in several particulars from those of the department. Of course, as a subordinate officer, I am not at liberty to disregard the latter in the payment of checks and drafts without the permission and approval of my superiors. To explain more fully, the rules of the department require—

1st. That payment of all Treasury drafts presented at our counters shall be refused unless the indorsements are legally and technically perfect.

2d. That all stamped indorsements of the names of indorsers shall be rejected.

3d. That with respect to checks and drafts, of whatever description, payment is prohibited where the drawer has not a sufficient amount to his credit to meet them.

4th. That as to interest checks and drafts indorsed by an attorney, there must be a good and sufficient power accompanying them, or evidence that such a power has been filed and accepted at the department.

Now, if checks or drafts, defective under the rules of the department in any of the particulars mentioned, or others that might be instanced, should be presented through the clearing-house, the rules of the association would compel us to pay them (or at least to transfer the money to the clearing-house for that purpose), notwithstanding such defects, subject, of course, to our right of reclamation on the bank that received the money for its return or the correction of the defect. The difference in the two practices, it will be seen, amounts to this, that whilst the department requires the adjustment of all discovered irregularities before payment, the clearing-house postpones it until after that event.

In view of this conflict of rules, I trust the Secretary will not think me unreasonably cautious in desiring his authority for a less strict observance of those of the department, which must inevitably result from the proposed connection with the clearing-house. It has already been decided that there are no legal impediments in the way of such a connection, and as it is very desirable just at this time, not only in a business point of view, but as an aid in the accomplishment of other objects of the highest importance, the mere fact that it may involve some changes in our present practice in the payment of checks and drafts should not, I think, weigh against it when such changes are not likely to add to the risk in the transaction of the public business.

Thus far I have been considering more particularly the subject of payments through the clearing-house; I beg leave, now, to add one or two brief suggestions on the other side, that is, on the subject of receipts. The present practice is to require all dues to the government to be paid in actual money, the collection of checks having been prohibited some time ago by a department order. On the isolated ground we now occupy, this arrangement is a very proper one, but I am not sure it will work as beneficially in the proposed arrangement with the clearing-house, for the following reasons:

1st. In settlements through the clearing-house all balances are required to be paid in United States notes.

2d. If we adhere to the present practice of refusing to collect checks, the public dues will be paid largely in national notes not available for clearing-house purposes as they now are for payments over our counters, and we shall be liable to a constant drain of United States notes in the payment of checks and drafts presented through that medium.

3d. On the contrary, should we receive checks when offered for public dues and collect them through the clearing-house, they would offset an equal amount of checks against us, and we should only have to pay the difference in United States notes when a debtor at the settlements, or receive it when a creditor in the same money.

These suggestions are, it seems to me, of some importance, and I submit them for your consideration and for such action as you may deem expedient and proper. In the contemplated arrangement with the clearing-house it is certain that if we have no checks for collection through that channel, we shall always be in the position of a debtor bank and liable at all times to pay out large sums in United States notes in the daily settlements. The inconvenience that must result from this when our stock of legal tenders happened to be small would be lessened somewhat in proportion to the amount of checks that could be presented in offset. In other words, if all public dues, payable here in currency, were paid by checks on the associated banks, the whole amount of the dues so paid would be available for clearing-house purposes, whilst, if paid in money, only that part would be available that consisted of United States notes.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

A.

[Inclosure to letter of November 14, 1878, from Assistant Treasurer, New York, to Mr. Sherman.]

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, November 11, 1878.

SIR: In conformity with instructions from the Treasury Department, I have the honor to submit the following propositions for the consideration of the Clearing House Association of the associated banks of this city.

1st. Hereafter, drafts drawn upon any bank represented in the Clearing House Association in the city of New York, received by the assistant treasurer in that city, may be presented to each bank at the clearing-house for payment.

2d. Hereafter, drafts drawn on the assistant treasurer at New York may be adjusted by him at the clearing-house, and the balance due from the United States may be paid at his office in United States notes, or clearing-house certificates.

3d. After the 1st of January next, payment of checks, presented to the assistant treasurer by any bank connected with the clearing-house, may be made by him in United States notes.

On the acceptance of these propositions, by resolutions of the association, entered on its records, or in any other form that will convey its sanction, I am authorized to conform to them, so soon as the necessary details can be arranged.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

WM. A. CAMP, Esq., *Manager New York Clearing House.*

B.

[Inclosure to letter of November 14, 1878, from assistant treasurer, New York, to Mr. Sherman.]

NEW YORK CLEARING-HOUSE, *New York, November* 12, 1878.

SIR: The propositions contained in your communicafion of the 11th instant I presented to the associated banks, at a meeting held this day, and I have the honor to present a copy of the resolution, unanimously passed by them.

"*Resolved*, That in order to facilitate the payment of drafts and checks, between the Treasurer of the United States and the associated banks, the manager of the New York clearing-house is authorized to make such an arrangement with the assistant treasurer as will accomplish that *purpose through the medium of the clearing-house.*" I will call upon you to-morrow with reference to making the necessary arrangement for carrying out the objects contemplated in the above resolution.

Very respectfully, W. A. CAMP, *Manager.*

Hon. THOS. HILLHOUSE, *Assistant Treasurer United States.*

C.

[Inclosure to letter dated November 14, 1878, from assistant treasurer, New York, to Mr. Sherman.]

NEW YORK CLEARING-HOUSE, *New York, November* 14, 1878.

SIR: In making your exchanges through the clearing-house, it will be necessary for you to send each morning to the clearing-house at 10 o'clock, a settling clerk and messenger to receive and deliver checks.

Payment of balances due the clearing-house may be made at your office to an agent authorized by the clearing-house to receive them, provided you will agree to send a guard with him back to the clearing-house in every case. The same rules governing the indorsement of checks and powers of attorney necessary thereto, when heretofore presented at the counter of the assistant treasurer will continue in force when sent through the clearing-house.

The payment of the proportion of the expenses of the clearing-house, as referred to in section 23 of the constitution, will be left to the option of the government; but its proportion of any loss that might occur, as set forth in section 2, ought to be definitely settled. In this connection, I will state that from the organization of the clearing-house to the present time, a period of over twenty-five years, no loss of any kind has occurred.

Very respectfully, W. A. CAMP, *Manager.*

Hon. THOS. HILLHOUSE, *Assistant Treasurer.*

Approved, subject to the approval of the Secretary of the Treasury.

THOS. HILLHOUSE, *Assistant Treasurer United States.*

No. 698.

First National Bank, New York, to Mr. Sherman.

NEW YORK, *November* 15, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: In accordance with your letter of yesterday we withdraw the uncalled bonds and enter the subscription as payable in coin 90 days from their dates according to verbal agreement.

We also make additional subscription of $1,500,000 to-day. From the statement you showed me on Saturday I understood that you needed about $1,250,000 to cover existing calls. Since then the papers report over $500,000 subscriptions, so that with our five millions, which covers the additional amount you desire, I infer we may expect a call when you have sold about ¾ of a million more bonds. We have had this week the

first indication in many months of any European demand for bonds, and have to-day a cable order for $100,000. In this connection we desire to know whether the department will deliver 4 per cent. bonds in London, free of expense of carriage, as in this country, receiving pay for them here before transmission, so that we can furnish them at same rate in London as we do here.

Very respectfully, GEO. F. BAKER, *President.*

No. 699.

Mr. Ford to Mr. Sherman.

TO THE SECRETARY OF THE TREASURY:

SIR: I have read the resolutions of the associated banks of New York City in reference to resumption of specie payments. Their special discrimination against silver dollars and silver certificates is ill-advised, and cannot produce anything but disorder and evil. It will produce the very evil which they want to provide against. The very discrimination produces the depreciation. They deny it the full functions of money, therefore, it must be below money.

The United States have declared that the power of a paper dollar and a gold dollar shall be equal, and shall be exchangeable one for the other. That exchangeability makes the equality. Destroy the exchangeability and the equality of power ceases, and the one to which the greater power is given, is the higher in value: paper can be bought very low, but persons having tons of paper do not have money. The paper is not money until the government puts its stamp upon it and declares it money. But tons of paper held by parties do not cheapen money. It may cheapen paper, but not money. Now, apply the same principle of law and reasoning to silver and we will be brought to like results. The United States have declared that gold, silver, and paper shall have equal power when converted into money; now, make them all exchangeable, one for the other, and all difference vanishes, as is effected between gold and paper. But the banks discriminating against silver produces the very evil they are trying to provide against, it depreciates money. Their discrimination is against money; not a merchandise. They do away with all distinction between gold and paper, and all difference ceases.

If the same rule is applied to silver all difference ceases. Silver is not *money* until the government puts its stamp upon it and declares it so. Parties may hold tons of silver, but that does not cheapen *money* (it may cheapen *silver* but not *money*) no more than tons of paper cheapen money. The government does not convert the silver into money for the holders, but buys it and makes money only for the government. The government does not make this profit as a separate and distinct party, but as it represents the whole country the profit goes into the general fund, and the whole country shares in the benefit. Does any one complain against the profit the government makes upon the paper it buys to convert into money? Then where is the ground of objection against silver? The matter the government is to see to is to coin no more than the needs of general trade require. Some may apprehend that if silver and gold are exchangeable, the gold will be obtained and hoarded or exported. Silver *money* must first be obtained, not silver, but *silver money*, and as silver money is made equal to gold, gold value has been given for silver money, and if we should need gold, we can take the

gold value and buy it. But the objection is not good. We make gold obtainable by paper, which is of less merchandise value than silver. We buy silver at its merchandise value and coin it at the value of gold. We buy paper at its merchandise value and stamp it at the value of gold, so that whoever gets our gold for silver or paper, pays gold value for it. No one can get our gold for the merchandise value of silver or paper. The exchange then, in fact, is gold for gold, and can effect no injury. Paper will perform all the active functions of money, because of its greater convenience. Gold and silver will lie in banks or depositories for emergencies. The plan proposed by the banks will be most injurious to the working population. The banks propose to discriminate against silver; this will depreciate it. They will produce a state of money which will induce employers to go to brokers and buy silver at a discount and pay it to their workmen. Traders (retail) knowing the depreciation of silver, will put up their prices to meet this depreciation.

The laboring men will have to pay it, which has been imposed upon them by the discrimination of the banks. The whole difficulty can be avoided by doing away with all distinction between gold, silver and paper, and making them exchangeable for each other. This is the natural, simple, easy mode and accords with every one's idea of money—then there is no conflict in and between money. The banks should be requested to adopt a rule that will avoid any discrimination in money and not one that will fasten discrimination upon it.

God be with you.

C. W. FORD.

1428 SOUTH JUNIPER STREET, PHILADELPHIA, PA.,
November 15, 1878.

No. 700.

Mr. Lamb to Mr. Sherman.

BOSTON, *November* 15, 1878.

To Hon. JOHN SHERMAN,
Secretary of the Treasury of the United States:

DEAR SIR: Herewith we place with you a report of the associated national banks in this city in reference to the practical working on and after the restoration of the specie basis for their circulating notes and for the government's legal-tender notes, on which they are now based.

Should you consider that any further declarations on the part of our banks are desirable in order to promote a more perfect success for the great object in view, you will greatly oblige us by suggestions for our consideration and action.

Very respectfully, your obedient servant,

THOMAS LAMB,
Chairman of the Clearing-House Committee in this City.

[Inclosure of Mr. Lamb, letter dated November 15, 1878, to Mr. Sherman.]

At a special meeting of the banking associations of this city this 15th day of November, 1878—present a representation from 51 of the banks—the proceedings of the banks of the city of New York on the subject of the resumption of specie payments on and after the first day of January, 1879, by the government of the United States and by its national banks was considered, and the interview and discussion of this subject by the committee of the banks of the city of New York with the Secretary of the

Treasury was read, together with the able report of their special committee on the subject, closing with a *resolution* which we entirely approve and which we hereby adopt in its several articles, as, in our opinion, the best and most practical course for the satisfactory accomplishment of this important change in the currency to be made by our government and by its national banking institutions.

It is therefore resolved, That the associated banks in this city, on and after the 1st day of January, 1879, will—

1st. Decline receiving gold coins as special deposits, but accept and treat them only as lawful money.

2d. Abolish special exchange of gold checks at the clearing-house.

3d. Pay and receive balances between banks at the clearing-house either in gold or United States legal-tender notes.

4th. Receive silver dollars upon deposit only under special contract to withdraw the same in kind.

5th. Prohibit payments of balances at the clearing-house in silver certificates or in silver dollars, excepting as subsidiary coin in small sums (say under ten dollars).

6th. Discontinue gold special accounts from and after the first day of January, 1879.

Voted, That the foregoing be transmitted to the honorable the Secretary of the Treasury of the United States.

Voted, That this meeting be dissolved.

Boston, November 15, 1878.

Attest: N. G. SNELLING, *Secretary*.

No. 701.

Seventy-second call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 121.
Secretary's Office.

TREASURY DEPARTMENT,
November 16, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 16th day of February, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$100—No. 140001 to No. 142000, both inclusive.	
$500—No. 99001 to No. 102000, both inclusive.	
$1,000—No. 193001 to No. 197000, both inclusive.	
Total coupon	$2,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$50—No. 2486 to No. 2493, both inclusive.	
$100—No. 19151 to No. 19222, both inclusive.	
$500—No. 11251 to No. 11279, both inclusive.	
$1,000—No. 38651 to No. 39000, both inclusive.	
$5,000—No. 12101 to No. 12350, both inclusive.	
$10,000—No. 23541 to No. 24120, both inclusive.	
Total registered	3,000,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is $5,000,000.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered

bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment of registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 702.

Mr. Sherman to Assistant Treasurer New York.

TREASURY DEPARTMENT,
Washington, D. C., November 16, 1878.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer, New York:

SIR: I reply to your letter of November 14 as follows:

1. I think the department has no power to agree to send a guard with the agent of the clearing-house who has to convey balances due to it from the office of the assistant treasurer, as proposed by Mr. Camp, in his letter to you of November 14.

It was understood that said balances would be received by the clearing-house at your office. You will, however, co-operate in every way in your power in rendering the transfer of the funds secure.

2. The proposition of Mr. Camp that the government will bear a proportion of the losses that may occur whilst the balances are in the custody of the manager, seems to me to be reasonable. I have, however, no power to bind the department by a stipulation to that effect without the approval of Congress. Should any such losses occur, it is not doubted that Congress will authorize a fair contribution.

3. I think the changes suggested by you of the rules of the department respecting the forms of indorsements of drafts and checks are unnecessary in view of the statement of Mr. Camp in his letter, already cited, that "the same rules governing the indorsement of checks and powers of attorney necessary thereto, when heretofore presented at the counter of the assistant treasurer, will continue in force when sent through the clearing-house."

4. As to your suggestion that you may be obliged in the course of your business with the clearing-house to pay checks and drafts when the drawer has not a sufficient amount to meet them, I reply that it was distinctly understood in my interview with the committee of that association that you would be allowed time, before the adjustment of the daily balance, to examine all checks and drafts upon the United States presented for adjustment.

5. With regard to checks and drafts received by you and adjusted through the clearing-house, you will obviate all objections by adopting the course pursued as to checks received for the four per cent. United States bonds, in placing the proceeds of them to the proper credit in your accounts when received and not before.

6. It should be understood that the arrangement with the clearing-house may be terminated upon the first of any month upon notice given by either party at least one month before such termination.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 703.

Mr. Sherman to Mr. Lamb.

TREASURY DEPARTMENT, *November* 18, 1878.

THOMAS LAMB, Esq.,
Chairman of Clearing House Committee, Boston, Mass.:

SIR: Your letter of November 15, inclosing a copy of the proceedings at a special meeting of the banking associations of Boston, on November 15, 1878, has been considered.

The patriotism as well as the wisdom of the national banks in endeavoring to co-operate with the department in carrying into effect the act of January 14, 1875, for the resumption of specie payments, is fully appreciated.

It is proper, however, that I state that the arrangement between this department and the New York Clearing House Association was confined to the convenient adjustment and payment of drafts drawn upon the Treasury and the banks respectively, and to the receipt by the banks of United States notes as coin after the first day of January, 1879.

The several resolutions adopted by the associated banks of New York, set out in your letter, and approved and adopted by you, were for the guidance of the banks and not in any respect a stipulation with the government. When read to me I expressed my doubts as to the necessity for the clause as to silver deposits, and said that this was a matter upon which I could not act.

It is my desire in every way to promote the easy change to the coin standard provided by law, with full confidence that the result will be of great benefit to all our fellow-citizens.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 704.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT,
Washington, D. C., November 20, 1878.

GEO. F. BAKER, Esq.,
President First National Bank, New York:

SIR: In reply to your inquiry contained in your letter of the 15th instant as to whether the department would deliver 4 per cent. bonds in London, free of expense of carriage, as in this country, receiving pay for them here before transmission, I have to say that in special cases such shipments could be made, but it would require an amount of about $5,000,000 to warrant sending messengers in charge of safes, which seems to be the only feasible means of transportation.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 705.

Third National Bank, Cincinnati, to Mr. Sherman.

THIRD NATIONAL BANK, *Cincinnati, November* 20, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Being desirous of aiding the government in the effort to make resumption a fixed fact, with the banks, and through them with the people, permit me to suggest a powerful aid in that direction.

By the resumption act greenbacks are redeemable only in New York and Washington, and if we of this section desire gold it becomes necessary to forward our greenbacks to either of these points to obtain gold, while the banks, having to pay the express-charges on same both ways, would be compelled to hold gold at a slight premium. In order to furnish this section of country with a supply of gold, we suggest you authorize the assistant treasurer here to furnish gold for, say, half of the legal-tender certificates held by us or others, that we may supply the demand of the neighboring country banks, and pay gold over the counter to our customers when desired, and thus show the people that resumption is an actual fact, familiarizing them with the use of gold, and thereby placing us on an equality with the Eastern banks and bankers.

I know of no more powerful aid than this to resumption, for if gold can be obtained easily and freely the *desire* for it ceases; leave obstacles in the way of getting it, and it retains a slight premium.

Called bonds and checks for registered interest have always been drawn on New York, whereby the West has had no chance to accumulate gold coin in anticipation of the event of resumption.

Trusting I have not intruded, and that you will grant a favorable consideration to what strikes me as of vital interest to the *government* and to the people who are the *government*, anxious to aid you, and to resume in name and practice,

I beg to subscribe myself, yours, respectfully,

G. P. GRIFFITH, *V. P.*

No. 706.

Mr. Sherman to Third National Bank, Cincinnati, Ohio.

TREASURY DEPARTMENT, *November* 23, 1878.

G. P. GRIFFITH, Esq.,
Vice-President Third National Bank, Cincinnati, Ohio:

SIR: Acknowledging the receipt of your letter of the 20th instant, containing certain suggestions relative to the resumption of specie payments, I have to inform you that the department does not feel at liberty to discuss the matter until after the annual report shall have been submitted to Congress. Your letter will, however, be carefully considered.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 707.

Seventy-third call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1865.

1878.
Department No. 127.
Secretary's Office.

TREASURY DEPARTMENT,
November 27, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1879, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 27th day of February, 1878, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$100—No. 142001 to No. 146000, both inclusive.	
$500—No. 102001 to No. 104000, both inclusive.	
$1,000—No. 197001 to No. 200000, both inclusive.	
Total coupon	$2,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870," as follows:

$100—No. 19223 to No. 19260, both inclusive.	
$500—No. 11280 to No. 11320, both inclusive.	
$1,000—No. 39001 to No. 39300, both inclusive.	
$5,000—No. 12351 to No. 12700, both inclusive.	
$10,000—No. 24121 to No. 25350, both inclusive.	
Total registered	3,000,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 708.

Messrs. Kuhn, Loeb & Co., to Mr. Sherman.

NEW YORK, *November* 29, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We thought it might interest you to learn that the subscription made by us to-day, through the National Bank of the State of New York, to the 4 per cent. loan, is for English account. Though this is not a large amount, our London friends advise that their market will in the course of a short time take quite an amount of these bonds, especially if England gets into any further political complications on account of its Indian policy.

We remain, dear sir, yours, obediently,

KUHN, LOEB & CO.

No. 709.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT,
Washington, D. C., December 3, 1878.

Hon. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York, N. Y.:

SIR: I have this day telegraphed you as follows:

After receipt of this you will please issue no more gold certificates.

In compliance with above instructions you will not, until further advised, issue gold certificates either in payment of interest on the public debt or for gold coin deposited.

It is desired that you issue currency in payment of coin obligations to such an amount as will be accepted by public creditors.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 710.

Senate resolution concerning amount of silver coin received in payment of duties, and whether it has been applied in payment of interest on bonds of the United States.

IN THE SENATE OF THE UNITED STATES,
December 3, 1878.

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate what amount and denomination of silver coin has been received in payment of customs dues since the beginning of the current fiscal year, and whether or not he has applied the silver coin so received, in whole or in part, to the payment of the interest on the bonds or notes of the United States. If it has not been so applied, to state the reason why. If it has been applied to that purpose in part only, to state what portion has been so used, and on what character of obligation; he is directed to inform the Senate the amount of interest he has paid on the bonds and notes of the United States since the current fiscal year began, and the amount of such interest which he has paid in gold and silver coin respectively.

Attest: GEO. C. GORHAM, *Secretary.*

No. 711.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 3, 1878.

SIR: I have the honor to report that the directions given in your dispatch of to-day, respecting gold certificates, have been carried out, and their issue, whether in exchange for gold offered for deposits or in payment of coin obligations of the government, stopped.

The $25,000,000 outstanding, over the amount held in our cash, will be gradually absorbed in the payment of duties, the inconvenience that might otherwise result to importers from their withdrawal being obviated by the substitution of United States notes of large denominations for the purpose, which it is understood to be your purpose to permit after January 1. Meanwhile, it is possible that, with the usual demand for gold certificates for use at the custom-house and a gradually diminishing supply, they may command a premium equal to the risk and cost of handling the actual coin. Should this occur, the difficulty will be obviated to the extent that silver certificates can be substituted, and in any event it will be obviated entirely as soon as resumption takes place.

A measure of so much importance will, of course, give rise to more or less comment. I shall be disappointed if it does not have a sensible

effect in reducing the price of gold, and I am inclined to believe that it will have the approval of the banks as well as that of the business community generally.

As for the speculators, who have so long been turning the fluctuations in the gold market to their own profit, their objections are not worth considering. Their vocation will soon be gone, and if they choose to follow it up to the last moment that is left them, they must take the risk and expense involved in carrying on their operations in actual coin.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 712.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 4, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 3d instant, in confirmation of your dispatch of the same date, directing us to issue no more coin certificates, to which I replied yesterday.

I understand that the issue for any purpose is to be stopped, and we are proceeding on that supposition, which is in accordance with the dispatch and the first clause of your letter just referred to. The second clause would seem to limit the prohibition to the cases therein specified, and raise the inference that it was not intended to cover other coin payments, as, for instance, the redemption of called bonds.

I make this explanation, so that if we have not rightly interpreted your intentions in the matter we may be advised.

The withholding of the certificates has caused a good deal of discussion and comment in financial circles, but it is generally admitted that it is a wise and timely measure.

Very respectfully, THOS. HILLHOUSE, *Asst. Tr. U. S.*

The Hon. JOHN SHERMAN, *Secretary.*

No. 713.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT,
Washington, D. C., December 4, 1878.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of yesterday is received. The necessity of the recent order about coin certificates became apparent to the department, and the only doubt was as to the date of issuing it. After full consideration, it was deemed best to make it immediate, so that no more certificates could be asked for. By the 21st of this month the large denominations of greenbacks will be ready for issue to you, and after the 1st of January they will be received for customs duties and paid out for gold coin deposited with you. I am led to suppose that considerable sums of gold

coin will be deposited with you soon after that date. It is important that the business men of New York should see the propriety of such a course, with a view to aid in popular opinion the process of resumption.

I would be pleased to hear from you as to whether any additional force in your office will be necessary in view of resumption. Every reasonable facility should be given to persons who apply for coin, and we should be prepared for a considerable demand during the first month.

I will be in New York some time this month, and will confer with you as to any matters of detail.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 714.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 4, 1878.

SIR: Permit me to inquire if we are still at liberty to pay out the standard silver dollar in exchange for gold coin, as authorized in your circular letter of March 14, 1878.

Hitherto there has been no particular object or advantage in such an exchange; but the withdrawal of gold certificates may make it desirable to importers and others, as the silver can be at once exchanged for silver certificates and these used in the payment of duties, for which purpose they are as valuable and more convenient than gold coin.

Very respectfully, THOS. HILLHOUSE, *Asst. Tr. U. S.*

The Hon. JOHN SHERMAN, *Secretary.*

No. 715.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 5, 1878.

SIR: I have received your letter of the 4th instant. The issue of gold certificates, however convenient to the public, had long ceased to be of any advantage to the government, and in view of resumption it had become a positive injury, by enabling speculators to carry on their operations without the risk and expense of handling the actual coin. So far as I have discovered, the banks and the business community generally regard the withdrawal of the certificates as a wise measure. They may be put to some temporary inconvenience thereby, but they cannot fail to see that in the use of this and all other legitimate means of making the great scheme of resumption a success, the Secretary is really promoting their interests, and that in the end they will be greatly benefited by the establishing of a sound and stable currency, which is the object in view.

I am obliged for your timely inquiry as to the sufficiency of our present clerical force. On the supposition that resumption must in all probability increase the work of the office, I had thought of providing for it in our estimates for the next fiscal year. But on reflecting that the appropriations for that year will not be available until July 1, it

seemed best not to ask for any additional clerks, but to rely on the department to help us, in case of need, by a temporary detail. We can probably get along until January with the force we have, but after that time we may require a few more clerks, mainly to facilitate the prompt redemption of United States notes, and perhaps also to aid in the examination of checks received through the clearing-house, which will then include gold as well as currency checks. It is hardly practicable now to determine what changes may be necessary in the distribution of business amongst the different divisions of the office, but it is safe to conclude that after resumption the work, for some time at least, will be considerably increased.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 716.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT,
Washington, December 5, 1878.

UNITED STATES ASSISTANT TREASURER,
New York, N. Y.:

SIR: In reply to your letter of the 4th instant, inquiring whether you are at liberty to pay out the standard silver dollars in exchange for gold coin, you are authorized to pay out the standard silver dollars to any amount which may be desired in exchange for gold coin.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 717.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT,
Washington, D. C., December 5, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer U. S., New York:

SIR: In reply to your letter of yesterday, I have to advise you that it was the purpose of the order referred to to prohibit the issue of gold-coin certificates for any purpose, including the redemption of called bonds. It is believed that the reasons for issuing such certificates have ceased to exist, and that those outstanding should be redeemed and not reissued.

No public end is subserved by receiving coin deposits for private parties to be held for their benefit, but gold will be received in exchange for United States notes of any denomination desired, and such exchange is invited.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 718.

Assistant Treasurer United States, Cincinnati, Ohio, to Treasurer United States.

OFFICE OF ASSISTANT TREASURER, UNITED STATES,
Cincinnati, Ohio, December 7, 1878.

SIR: There will be needed for the use of this office, not later than the 1st of January, 1879, gold coin as follows:

XX	250,000
X	30,000
2½	15,000
1	5,000
	$300,000

The stock of cash gold here is being rapidly depleted by the payment of coupons shipped by New York banks to their correspondents here to supply the demands of country banks.

It is probable that payment of coupons due January 1 will be desired in cash gold, rather than in gold certificates, as heretofore.

Very respectfully, A. M. STEM,
Assistant Treasurer United States.

To TREASURER UNITED STATES, *Washington, D. C.*

No. 719.

Mr. Sherman to Third National Bank, Syracuse, New York.

TREASURY DEPARTMENT, *December 7, 1878.*

CASHIER THIRD NATIONAL BANK, *Syracuse, New York:*

SIR: In reply to your letter of the 26th ultimo, inquiring whether United States depositaries will be required to pay out coin for greenbacks when presented in sums of $50, or multiples thereof, after January 1, 1879, I have to inform you that there is no law or regulation of which I am aware requiring national bank depositaries to redeem United States notes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 720.

Seventy-fourth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 132.
Secretary's Office.

TREASURY DEPARTMENT,
December 9, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the 9th day of March, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1865, *namely:*

$100—No. 146001 to No. 147000, both inclusive.	
$500—No. 104001 to No. 105000, both inclusive.	
$1,000—No. 200001 to No. 204000, both inclusive.	
Total coupon	$2,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1870, *as follows:*

$100—No. 19261 to No. 19279, both inclusive.	
$500—No. 11321 to No. 11326, both inclusive.	
$1,000—No. 39301 to No. 39304, both inclusive.	
$5,000—No. 12701 to No. 12704, both inclusive.	
$10,000—No. 25351 to No. 25700, both inclusive.	
Total registered	3,000,000
Aggregate	5,000,000

The amount *outstanding*, included in the numbers above, is five million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption, *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 721.

Mr. Hawley to First National Bank, Boston, Mass.

TREASURY DEPARTMENT, *December* 9, 1878.

CASHIER FIRST NATIONAL BANK, *Boston, Mass.:*

SIR: Your letter of the 6th instant, asking to be informed whether the department will sell your bank $100,000 or $500,000 4 per cent. bonds, in small or assorted denominations, at 99¾ per cent. net and accrued interest, giving you the usual time for payment, has been received.

In reply I have to inform you that banks desiring to receive deposits on account of subscriptions to the 4 per cent. loan are specially designated for the purpose, and necessary blank transcripts and certificates are furnished.

In this connection I inclose herewith department's circular of January 21, 1878, under the provisions of which, if you desire it and will so inform this office, the bank of which you are cashier will be designated as a United States depositary, to receive deposits on account of subscriptions to the 4 per cent. loan.

Subscribers are required to deposit the *full face value* of the bonds, with accrued interest, in coin.

Accounts for commissions are adjusted at the department and paid by check separately.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 722.

Mr. Sherman to Mr. Oglesby.

TREASURY DEPARTMENT,
Washington, D. C., December 10, 1878.

JAS. H. OGLESBY, Esq.,
President New Orleans Clearing-House, New Orleans, La.:

SIR: I have received your letter of the 4th instant asking the following questions, viz:

1. Will legal-tender notes be received in payment of duties on imports and other obligations to government, where gold is now required, on and after January 1, 1879?

2. Will gold be exchanged at sub-treasury in New Orleans for legal-tender notes?

3. Does the department propose to exchange gold or paper for silver dollars, through the sub-treasury at New Orleans or elsewhere, and, if so, in what sums?

In answer, I have to inform you that:

(1.) It is stated in the annual report just submitted to Congress, copy inclosed, that the Secretary will feel it to be his duty, unless Congress otherwise provides, to direct that after the first of January next, and while United States notes are redeemed at the Treasury, they be received the same as coin by the officers of this department in all payments in all parts of the United States.

(2.) Gold coin will not be exchanged for legal-tender notes at the sub-treasury at New Orleans; and

(3.) Gold or United States notes will not be paid out at the sub-treasury offices in exchange for silver dollars. Under the provisions of the act of Congress passed February 28, 1878, however, any holder of the standard silver dollars may deposit them with the Treasurer or assistant treasurers, and receive therefor certificates of deposit.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 723.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT,
Washington, D. C., December 11, 1878.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means,
House of Representatives:

SIR: I have the honor to inclose herewith copies of a resolution of the Chamber of Commerce of the State of New York and a draft of a bill to enable importers to pay duties in certified checks, which have been transmitted to this department.

The papers are transmitted to you without any recommendation, but at the proper time, at the request of your committee, the department will furnish any information in its possession which may be desired on this subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 724.

Mr. Wood to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
Washington, D. C., December 13, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: Referring to your communication of 11th instant, inclosing resolution of the Chamber of Commerce of the city of New York, and also a draft of proposed bill to pay customs duties with certified checks, I would state that the Committee of Ways and Means will be pleased to have the views of the department, and also to be furnished with any information it may possess upon this subject.

Very respectfully, FERNANDO WOOD, *Chairman.*

No. 725.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 14, 1878.

SIR: The belief is quite general here that speculation in gold is still carried on to an extent sufficient to influence the price and prevent its decline to par, where in all probability it would go if there were no artificial means used to check it.

Of course the operations of cliques and combinations must end after resumption, for it is hardly possible that gold can be kept at a premium over United States notes when the latter can be exchanged for the former at par, but meanwhile the premium is calculated to encourage speculation; and, if maintained until January 1, it will furnish an inducement for the presentation of the notes in large amounts for redemption. I do not know that any further measures can be resorted to in the short time intervening to change the situation, but it has occurred to me that if the interest due January 1 could be paid a week before that date it might have a beneficial effect by increasing the supply of gold on the market and checking any advance in the price due to a scarcity.

To be effective, however, the prepayment should include registered as well as coupon interest, and this would necessitate the preparation and distribution of the schedules considerably in advance of the usual time. The prepayment should also be without rebate, so as to induce the public to apply for it, and thus add a large amount to the gold now held outside the Treasury.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 726.

Circular instructions concerning the resumption of specie payments.

1878.
Department No. 135.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., December 14, 1878.

The following provision of law, and instructions thereunder, are published for the information and guidance of all concerned:

AN ACT to provide for the resumption of specie payments.

* * * * * * *

SECTION 3. * * * And on and after the first day of January, anno Domini eighteen hundred and seventy-nine, the Secretary of the Treasury shall redeem, in coin, the United States legal-tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than fifty dollars. * * *

Approved January 14, 1875.

As the effect of the above section will be to remove any practical difference in the value of coin and notes as a circulating medium after the first of January next, no distinction between them will be made in keeping, rendering, or settling the accounts of public officers, involving transactions which occur subsequently to that date.

Matured coupons of the United States, and checks issued by the Treasurer of the United States for interest or principal of the public debt, by law payable in coin, will be paid by the assistant treasurer of the United States at New York, upon presentation, in coin, or, if the claimant prefers, such coupons and checks will be paid by the said assistant treasurer, or by any other independent-treasury officer, in United States notes.

Such registered interest, payable by law in coin, as is paid on schedules at any other cities than New York, will also be paid the claimant in coin, by check on the assistant treasurer of the United States at New York, which check may be cashed in United States notes if the holder prefer, or, if the claimant prefers, such interest may be paid to him direct in United States notes by the officer charged with the payment of the schedule.

Any check or draft hereafter drawn in payment of a public obligation, by law payable in coin, will have that fact plainly noted thereon.

JOHN SHERMAN, *Secretary.*

No. 727.

Resolution of House of Representatives adopted December 16, 1878, calling for statement of coin balances standing to credit of Treasurer of the United States in national banks at certain dates.

"*Resolved*, That the Secretary of the Treasury be directed to inform this House, at the earliest day practicable after the close of the Congressional recess, whether there were any balances in coin standing to the credit of the Treasurer of the United States in any national bank on the 1st day of March, 1876, and on the first of each succeeding month, to and including the 1st of January, 1879, and the names and location of the banks which held such balances, and the amount held by each at the respective dates indicated."

Answered December 19, 1878. (See H. R. Ex. Doc. No. 13, 3d session 45th Congress. Not reprinted here.)

No. 728.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *December* 16, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 14th instant is received. I see no objection to the prepayment of the January interest, but the schedules for regis

tered interest cannot be made out before the 28th. If you think it advisable to prepay the coupons, and telegraph me so to-morrow, I will issue the order.

While it is advisable to supply the market with coin, I do not wish any considerable diminution of the store on hand.

On and after January 1, more of the interest will be voluntarily received in United States notes than now. Would it not, therefore, be better to wait until about the usual time, from the 20th to the 25th, before prepayment is ordered?

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 729.

Mr. Sherman to Mr. Wheeler.

TREASURY DEPARTMENT,
Washington, D. C., December 16, 1878.

Hon. WILLIAM A. WHEELER,
President United States Senate:

SIR: I have the honor to acknowledge the receipt of Senate resolution dated December 3, 1878, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate what amount and denomination of silver coin has been received in payment of customs dues since the beginning of the current fiscal year, and whether or not he has applied the silver coin so received in whole or in part to the payment of the interest on the bonds or notes of the United States. If it has not been so applied, to state the reason why; if it has been applied to that purpose in part only, to state what portion has been so used, and on what character of obligations. He is directed to inform the Senate the amount of interest he has paid on the bonds and notes of the United States since the current fiscal year began, and the amount of such interest which he has paid in gold and silver coin respectively;

And in reply to inclose herewith copy of report, dated 9th instant, from the Treasurer of the United States, to whom the resolution had been referred, which gives the information called for.

Under existing law, either gold coin or standard silver dollars may be used in payment of the interest of the public debt. The law does not direct which shall be paid, but leaves this to the discretion of the department, to be exercised upon considerations of public policy; and the practice, as stated by the Treasurer, of allowing the public creditor the option of the form and denomination of money in which he shall be paid has thus far been observed.

The manifest object of the act to authorize the coinage of the silver dollar and restore its legal-tender character, when construed in connection with the resumption act, is that gold coins and the standard silver dollar shall be maintained at par with each other, and this object can best be attained by paying out such coin as may subserve the convenience of the person to be paid, and not to force upon him either form of money.

Any other course would discriminate against the standard silver dollar and tend to its depreciation.

Very respectfully, JOHN SHERMAN, *Secretary.*

[Inclosure to Department's letter of December 16, 1878, from Mr. Sherman to Mr. Wheeler.]

TREASURY OF THE UNITED STATES,
Washington, December 9, 1878.

SIR: I have the honor to return herewith, in compliance with your request, Senate resolution of the 3d instant, referred to this office by you, under date of the 4th instant, for information. The scope of the resolution seems to be comprehended in the following inquiries:

First. What are the amount and denomination of silver coins received in payment of customs dues since July 1, 1878?

Second. Whether the silver coins so received have been applied to the payment of interest on the bonds or notes of the United States: and if not, the reason why?

Third. What amount of coin interest has been paid since the above date in gold and silver coins, respectively?

In answer to the first inquiry, it may be said that no distinction has ever been mad between gold and silver money in the Treasurer's general account—coin, to which account all coin receipts of the government are carried by warrant of the Secretary of the Treasury under section 305 Revised Statutes. No record is kept of the denominations of either the gold or silver coins received for customs, and no information can be given from the records of this office showing what amount of the general receipts from customs for the current fiscal year was in silver coins. The receipts of subsidiary silver on account of customs are necessarily small, for the reasoh that such coins are not receivable except for fractions of a dollar, when the payment to be made exceeds five dollars. The total receipts of standard silver dollars at this office and at the subtreasury offices, for the period from July 1, 1878, to November 30, 1878, were $5,178,345 from all sources except coinage, including customs, the four per cent. loan, and silver certificates. Deducting from this sum receipts of silver dollars from other sources than customs, and $1,500,000 is a very liberal estimate of the amount of silver dollars received on account of customs for the period above mentioned.

The above figures do not, however, cover silver certificates received on account of customs, principally at the New York office, which amounted during the current fiscal year to $11,260,000. This amount exceeds the total of silver certificates issued, which is accounted for by the fact that when received for public dues silver certificates have been again paid out. The greater portion of the above $11,260,000 is represented by only $3,717,000 in San Francisco silver certificates received for customs in New York, all or a portion being again paid out by that office and again received for customs. Silver certificates cannot be paid for interest, their issue being authorized only upon the deposit of standard silver dollars.

In response to the second inquiry contained in the Senate resolution, it may be stated that the silver coins received during the current fiscal year have not been specifically applied to the payment of interest upon bonds and notes of the United States, except so far as the fractional silver so received has been used in disbursements for coin interest in making payments of fractional parts of a dollar. No instructions have been given by the department directing the payment of interest upon bonds and notes of the United States in silver. In making coin payments, however, payees are permitted to elect which currency they shall receive, whether gold, silver, coin certificates, or United States notes. The Treasury has also exchanged standard silver dollars with the public for gold coin to the amount of $1,534,785. The receipts of silver coin for customs duties during the current fiscal year have not been sufficient to enable the department to make payment exclusively in silver coin. No general demand for it in lieu of gold was manifested by those entitled to coin interest from the government. While reserving the legal option of the government to pay either gold or silver coin, it has been the general practice to comply with the request of the holder of a demand against the United States as to the form or denomination of money desired by him, and this practice has been observed in the payment of interest of the public debt.

In the disposition of the coin paid for duties on imported goods, though the requirements of section 3694 Revised Statutes have not been disregarded in respect to the application of coin so received, first, to the payment of coin interest; second, to the sinking fund; third, to the payment of the residue into the Treasury, attention is directed to the fact that nearly the entire receipts of standard silver dollars from all sources, including coinage, have been expended in the purchase of silver bullion under the appropriation made in the first section of the act of February 28, 1878, entitled "An act to authorize the coinage" of the standard silver dollar and to restore its "legal-tender character."

To the third inquiry it is replied that the coin interest paid during the current fiscal year amounts to $39,345,224.37, and no fuller information can be given than that contained in the reply to the second inquiry as to the amount of such interest which was paid in gold and silver coin, respectively.

Very respectfully, JAS. GILFILLAN, *Treasurer United States.*

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 730.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT,
Washington, D. C., December 16, 1878.

Hon. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York City:

SIR: I inclose herewith copy of a resolution of the Chamber of Commerce of the State of New York and a copy of a draught of a bill to enable importers to pay duties in certified checks which have been transmitted by that society to this department for consideration.

As the proposed plan of paying duties would doubtless materially increase the work and responsibility of your office I will thank you for an expression of your views on the subject. An early reply is requested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 731.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 17, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 16th instant. My idea in suggesting the payment of the January interest on both coupon-bonds and registered stock was that by increasing the supply of gold on the market it would reduce the premium, so that at the date of resumption there would be no inducement to present United States notes for redemption for the mere profit of such an exchange.

To effect such a reduction, however, it would probably be necessary to pay out a considerable amount over the coupons that would be presented, and as the schedules of registered interest cannot be made out before the 28th instant the anticipated result might not follow in the short time intervening between that date and January 1.

In this view of the case the prepayment of the coupon interest alone, as it would only be a partial one, does not seem to me of so much importance; but I can see no objection to it, even at the earliest date you suggest. If it included both classes of interest, and was commenced say a week before the usual time, the addition thus made to the supply of gold held outside the Treasury must, it seemed to me, go far towards destroying the present slight premium, but it did not then occur to me that it would be open to the objection you mention of causing a drain of gold from the Treasury for obligations, payment of which after January 1 would be voluntarily received in United States notes.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 732.

Mr. Sherman to Assistant Treasurer, Cincinnati, Ohio.

TREASURY DEPARTMENT, *December* 17, 1878.

UNITED STATES ASSISTANT TREASURER, *Cincinnati, Ohio:*

SIR: Your letter of the 7th instant, addressed to the Treasurer of the United States, making requisition for $300,000 gold coin to pay coupons, has been received.

In reply I have to inform you that in view of the recent circular instructions of the department concerning the resumption of specie payments, dated the 14th instant, copy inclosed, it is thought that this additional amount of gold will not at present be required at your office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 733.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *December* 18, 1878.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

DEAR SIR:

* * * * * * *

I have concluded to direct the prepayment of the coupons maturing January 1 in coin or United States notes, *as desired by the holder*, and interest on registered stock, as soon as you can receive the schedules, which will be about the 28th. While I wish no hesitation about paying gold to any one desiring it, it is better to get people in the habit of receiving currency rather than coin.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 734.

Agents Nevada Bank of San Francisco to Mr. Sherman.

[Telegram.]

NEW YORK, *December* 18, 1878.

JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Will you receive subscription for one million four-per cents, ninety-nine three-quarters, plus seventy-eight days' interest, with privilege of three months in which to settle for same? Please answer promptly.

AGENTS NEVADA BANK OF SAN FRANCISCO,
62 *Wall street.*

No. 735.

Agent Nevada Bank of San Francisco to Mr. Sherman.

THE NEVADA BANK OF SAN FRANCISCO,
New York, December 18, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to confirm our telegraphic correspondence of to-day. *Dispatch sent:* "Will you receive subscription for one million four per cents, ninety-nine three-quarters, plus seventy-eight days' interest, with privilege of three months in which to settle for same?" To which we have your reply; *Dispatch received:* "Cannot under the law accept your offer. Can only accept subscriptions as per circular, the terms of which are as favorable to you as your offer. See letter."

We notice that our inquiry is referred to as an "offer," in which light we do not wish it to be considered. We have examined the circulars bearing upon the subject of January 16, May 6, June 20, and August 1, 1878, and find that the sixth paragraph in the two last named cover the point satisfactorily; but it appears that a written circular of October 5 from the Department to the public depositaries *withdraws* the ninety days' privilege, and requires deposits against subscriptions to be held subject to the call of the Secretary at any time within the ninety days; for which reason we are unable to understand that the terms "as per circular are as favorable" to us as those suggested in our telegram.

We await the receipt of your letter, which will doubtless fully explain the matter.

Very respectfully, C. T. CHRISTENSEN, *Agent.*

No. 736.

Mr. Sherman to Agents Nevada Bank of San Francisco.

TREASURY DEPARTMENT, *December* 18, 1878.

AGENTS OF THE NEVADA BANK OF SAN FRANCISCO,
New York:

GENTLEMEN: Referring to your telegram of this date, offering to subscribe for one million dollars of the 4 per cent. consols of 1907, at 99¾ and accrued interest, said bonds to be paid for in three months; and to my telegram replying thereto, as follows: "Cannot under the law accept your offer; can only accept subscriptions as per circular, the terms of which are as favorable to you as your offer—see letter;" I have now to state that I can only accept par and accrued interest, in coin, for these bonds, the commission of one-fourth of one per cent. being paid by a check from this department after the bonds have been issued.

The law does not seem to allow me to make terms as to the time of payment; but as ninety days' notice is required for a call, I may at discretion, during that time, deposit the money received on subscriptions in a national bank, designated as a depositary under section 5153 Revised Statutes, as stated in inclosed circular of January 21, 1878. This would seem to be the only legal way in which the business can be conducted other than the actual payment in coin into the Treasury at the time of subscription. I hope, therefore, that you will make the subscription upon these terms.

Would it not be advantageous for you to establish a national bank for the transaction of your business in New York?

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 737.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 18, 1878.

SIR: Since my letter of yesterday gold has sold at par, the prevailing rate being one-sixty-fourth to three-sixty-fourths premium. The indications now are that the combinations which were presumed to be operating to keep up the premium have failed so far in their object, and that, unless some unlooked for circumstances should intervene, the premium will be more likely to fall below the present rates than to advance.

Very respectfully, THO. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 738.

Messrs. Foote & French to Mr. Sherman.

BOSTON, *December* 18, 1878.

Hon. JOHN SHERMAN, *Secretary of Treasury:*

SIR: We inclose a slip from yesterday's paper, and thinking it may be correct, we ask leave to make the suggestion that the ten million limit be reduced to five.

We venture the suggestion for the reason that the $\frac{1}{10}$ may possibly be received by only one institution in the country if kept at ten millions, and will enable that bank to undersell all the other banks and dealers.

We understand the object of the change is to market more bonds, and think a bank selling five million should not be discouraged.

If the time for selling the amount was lengthened the seller would be benefited in the same way.

We are, very respectfully, FOOTE & FRENCH.

[Printed slip.]

The Treasury Department is contemplating the issuance of a circular fixing commissions on subscriptions for the 4 per cent. consols to June, 1879, as follows: Subscriptions from $100,000 to $1,000,000, one-eighth of 1 per cent; on subscriptions from $1,000,000 to $10,000,000, one-fourth of 1 per cent.; and on amounts in excess of $10,000,000 an additional commission of one-tenth of 1 per cent. It is thought that by offering such inducements for large aggregate subscriptions the sale of the bonds will be greatly stimulated.

No. 739.

Seventy-fifth call.—Redemption of 5-20 bonds of 1865—Consols of 1865.

1878.
Department No. 138.
Secretary's Office.

TREASURY DEPARTMENT,
December 18, 1878.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of

the act of March 3, 1865, consols of 1865, will be paid at the Treasury of the United States, in the city of Washington, on and after the eighteenth day of March, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1865, *namely:*

$100—No. 147001 to No. 148720, both inclusive.
$500—No. 105001 to No. 106695, both inclusive.
$1,000—No. 204001 to No. 210542, both inclusive.

Total coupons	$2,439,250

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the* 1*st day of July,* 1870," *as follows:*

$50—No. 2494 to No. 2503, both inclusive.
$100—No. 19280 to No. 19297, both inclusive.
$500—No. 11327 to No. 11337, both inclusive.
$1,000—No. 39305 to No. 39316, both inclusive.
$5,000—No. 12705 to No. 12722, both inclusive.
$10,000—No. 25701 to No. 26586, both inclusive.

Total registered	8,556,850
Aggregate	10,996,100

The bonds outstanding and represented by the above-mentioned numbers constitute the residue of those issued under the act of March 3, 1865, consols of 1865.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 740.

Mr. Reed to Mr. Sherman.

NEW YORK, *December* 18, 1878.

SIR: The New York papers of Monday stated that the Treasury Department contemplates issuing a circular offering certain commissions on sales of large parcels of United States fours as high as $\frac{35}{100}$ of 1 per cent. on some lots.

Assuming that such a circular is under consideration, I venture to infer that it is because you are not quite satisfied with the present ratio of popular subscriptions.

I am thereby encouraged to say that in July, 1877, I mapped out an ingenious plan for placing government bonds with *the people* by direct subscriptions—I mean without the intervention of banks, &c. The apparent success of the Belmont syndicate at that time induced me to cast aside the project, the minor details thereof I was then perfecting, and

your own successful operations subsequently—as appeared by the daily announcements of subscriptions received—dissuaded me from reviving it at the time the syndicate agreement was abrogated.

Thus it happens that my scheme, which I had intended to legally monopolize by copyrights, &c., remains unsecured, and would become common property if now made public.

I therefore propose at this time to impart the details thereof to you alone, and (to save you some trouble) I shall regard the return of my card by mail as an invitation to disclose the same to you in confidence. If my plan wins your personal approval I shall, of course, submit it officially at a later day to the Treasury Department.

Perhaps I should add that the merit of my scheme lies in providing a way whereby the government may not only encourage but also secure the investment in United States fours of the small savings of *individuals* throughout the Union; that in no respect is it sensational or unbusiness-like; and that its employment would be in harmony with the dignity and high character of the department which you represent. Upon investigation, I think you will perceive in the adoption of the project which I desire to present some economy, and the promise of increased financial success to the government, as clearly as I see therein profit for its promoter.

I am, sir, your obedient servant, J. C. REED.

To the Hon. JOHN SHERMAN, *Washington.*

No. 741.

Mr. Wood to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
COMMITTEE OF WAYS AND MEANS,
Washington, D. C., December 18, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Referring to your letter of 11th instant, inclosing resolutions of the Chamber of Commerce of the City of New York, I would be pleased to be furnished with your views upon the subject of the payment of customs duties by certified checks, and if you think favorably of that plan to have the draft of such a bill as, in your opinion, would be proper to become a law.

Very respectfully, FERNANDO WOOD, *Chairman.*

No. 742.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, December 18, 1878.

SIR: I have the honor to acknowledge the receipt of your letter of the 16th inst., inclosing copies of the following papers:

A. Resolution of the New York Chamber of Commerce requesting the Secretary to secure the passage of a law which will enable importers to pay duties in certified checks upon banks in this city.

B. Draft of a law authorizing a deposit in this office, by any bank or banker in this city, of coin or United States notes to be drawn for the payment of duties on the check of any such bank or banker certified by the assistant treasurer.

Both plans involve a radical change in the present practice, in this, that they authorize the collector to receive payment for duties on checks instead of actual money, and to deposit the checks thus received with the assistant treasurer for collection. The adoption of either will therefore necessitate a change in the present laws relating to the duties of that officer, as well as to those of the collector, which indeed the resolution and the proposed bill contemplate. It will be seen, then, that they present several questions of importance; but mindful of your request for an early reply, I shall confine myself to a few brief suggestions as to their comparative merits, leaving it to the better judgment of the Secretary whether the evil complained of is of such a nature as to call for the intervention of the government, and whether such intervention, if necessary in the interest of commerce, should be such as is provided in the papers submitted. The first suggestion that occurs to me is that, irrespective of other considerations, the plan of receiving certified checks on any of the associated banks here as proposed in the resolutions of the chamber of commerce, would be the most simple, but its adoption would involve the total abandonment of the principle on which the act of August 6, 1846, was based, namely, that in the collection and disbursement of its revenues the government should recognize nothing but actual money.

Were it not for this objection, I should be inclined to give it the preference because it would involve no additional risk to this office (as the checks would be collected through the clearing-house) and no additional labor or expense worth considering. The checks received from the collector would be treated the same as those received from other sources and collected in the same way. Should a bank suspend payment before the presentation of checks of this kind in due course, the loss, if any, would, it seems to me, fall on the government, as neither the collector nor the assistant treasurer could well be held responsible in such a case. The protection of the government would lie in the fact that such a case could seldom, if ever, occur; but nevertheless, the possibility of its occurring constitutes an objection to the plan so far as the government is concerned, whilst to the officers whose duty it would be to act under it, it would bring little additional labor or responsibility.

The alternative plan, whilst it avoids any direct violation of the principle which the law of 1846 was intended to carry out by requiring that the money on which the checks are drawn shall be deposited in the subtreasury, is still open to the objection that it permits the use of a public depository for the safe keeping of private and corporate funds, which is contrary to the spirit if not the letter of the act cited. It is also somewhat complex, and will require considerable additional labor and expense in its execution. There are so many precedents, however, for receiving moneys other than public moneys, that the implied prohibition contained in the act of 1846 may be said to have been at least constructively repealed by more recent legislation, notably by the act of 1872, which allows the reserves of banks to be deposited for safe keeping in a subtreasury and certificates to be issued therefor. In view of what has already been permitted in the way of departures from the early practice, I do not think that much weight should be given to the objection, and as it attaches to that particular feature of the plan which protects the government from loss, these is less reason to criticise it. On the whole,

then, I feel disposed to favor a deposit of money in the Treasury and the drawing of checks on such deposits, as provided for in the bill, rather than the alternative plan. There should, however, be some provision in the bill to meet the increased labor and expense that will have to be incurred, for if left to be provided for in the regular appropriation bills, we may be placed in the same position as after the passage of the act of 1872—that is with no means of paying the additional force required in carrying out a law of Congress.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 743.

Mr. Sherman to Mr. Reed.

TREASURY DEPARTMENT,
December 19, 1878.

J. C. REED, Esq., *New York:*

SIR: Your letter of the 18th instant is received.

It is not the purpose of the Department to change in any way the mode of placing the popular loan, but it will be left free and open to all. The only question held in reserve was as to the best mode of arranging the commission allowed to be given under the law.

I would not be at liberty to receive from you in confidence any plan, especially if it was secured by copyright. If you choose to submit it to me for consideration you had better do so in writing, and, if desired by you, it shall be read in confidence and returned without prejudice to your rights.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 744.

Agent Nevada Bank of San Francisco to Mr. Sherman.

AGENCY OF THE NEVADA BANK OF SAN FRANCISCO,
New York, December 19, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

DEAR SIR: We beg to acknowledge the receipt of your communication of yesterday, copy of which we transmit to our head office, telegraphing the purport of the same, in case they wish to make a prompt subscription of a million bonds. If such a subscription is made, it will probably be transmitted through the Bank of New York, National Banking Association, which will enable us to avail of the ninety days, privilege accorded by your letter.

Very respectfully, yours, C. T. CHRISTENSEN, *Agent.*

No. 745.

Mr. Sherman to the Register of the Treasury.

TREASURY DEPARTMENT, *December* 19, 1878.

Hon. G. W. SCHOFIELD,
Register of the Treasury:

SIR: I have to request that you will deliver to the Treasurer United States, when prepared, the schedules for dividends on United States registered bonds, due and payable January 1, 1879, at the offices of the United States assistant treasurers, at Baltimore, Cincinnati, Chicago, Saint Louis, New Orleans, and San Francisco.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 746.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *December* 19, 1878.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means, House of Representatives:

SIR: I have the honor to acknowledge the receipt of your letter of the 18th instant, requesting to be furnished with the views of the Department upon the subject of the payment of customs duties at the port of New York by certified checks, and to inform you that a reply to your letter of the 13th instant on same subject has been delayed awaiting the report of the United States assistant treasurer at New York, to whom the matter has been referred.

The proposed plan if carried into effect would materially increase the work and responsibility of the assistant treasurer's office, and it was deemed proper to get his views in the manner. When his reply shall have been received you will be further advised.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 747.

Assistant Treasurer United States, New York, to Mr. Sherman

OFFICE UNITED STATES ASSISTANT TREASURER,
New York, December 19, 1878.

SIR: Permit me to add as an additional suggestion to my letter of yesterday on the subject of deposits in the Treasury for the payment of duties that, unless there is power lodged somewhere to restrict it, it may be abused.

The term "banks" applies to a class of corporations whose number, and the character of whose business, is well known and understood. The term "bankers" on the other hand is very indefinite, both as to the number of firms and individuals doing a banking business, and as to the kind and extent of their transactions. In a majority of cases it would probably be found on inquiry that their dealings with importers were too infrequent and of too little importance to call for the opening of

accounts with them under a plan designed especially for the benefit of the importing class.

It is difficult to know just where to draw the line. Should the privilege be limited to banks, it will shut out all bankers, including some to whom it should be as free as to corporations. If itis extended to bankers generally, and without qualification, it will be sought for by persons who have no just claim to it, and who may use it for purposes other than those for which it was intended. Perhaps the best way to prevent this would be to reserve to the Secretary the discretionary power to accept or reject deposits from firms and individuals as, in his judgment, might seem most conducive to the public interests. At any rate, it would appear that there must be some way devised to exclude deposits from bankers who have so little to do with the importing interest that to accept them would be to impose on the Treasury the labor and expense of opening an indefinite number of accounts without an equivalent benefit to any one.

Were it not for the cry of favoritism which would be at once raised, I should feel inclined to go farther, and confine the privilege to a few of the leading banks and bankers most closely identified with that interest. It is plain that the whole business of supplying the means to pay duties would soon fall into their hands, for no one else could draw checks that would be accepted by the collector. Of course it would greatly concentrate the labor of keeping the accounts, and it would increase the profits of the drawers in proportion to the magnitude of the business, but in the degree that it *was* profitable would be the discontent and dissatisfaction of those who were excluded from the benefits of the arrangement.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 748.

Mr. Sherman to the Treasurer United States.

TREASURY DEPARTMENT, *December* 20, 1878.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: Herewith you will receive a copy of a letter addressed this day to the Register of the Treasury, concerning the transmittal to you of certain schedules for the payment of interest due January 1, 1879, on United States registered bonds.

You will please prepare checks on New York for the payments of the amounts due, and transmit them to the respective officers, to be delivered by them to the claimants if they prefer them to receiving United States notes, and you will issue the necessary instructions to the assistant treasurer at New York concerning their payment.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 749.

Mr. Sherman to the agents of the Nevada Bank of San Francisco.

TREASURY DEPARTMENT, *December* 20, 1878.

AGENTS OF THE NEVADA BANK OF SAN FRANCISCO, *New York:*

GENTLEMEN: Your telegram of this date has been received as follows: "Bank of New York has been authorized to subscribe for account this

bank for one million bonds, whereby, in accordance with your letter eighteenth, we secure the ninety days' privilege referred to in our telegram of same date."

It should be understood by yourselves and by the bank that while there is little doubt that the money will remain on deposit until the maturity of the seventy-fifth call, yet the department must reserve the right, without qualification or condition, to draw the money out at any time.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 750.

Mr. Sherman to First National Bank, Cincinnati.

TREASURY DEPARTMENT, *December* 20, 1878.

CASHIER FIRST NATIONAL BANK, *Cincinnati, Ohio:*

SIR: I have to acknowledge the receipt of your letter of the 16th instant, requesting that such instructions be given the United States assistant treasurer at Cincinnati, Ohio, as will enable you to collect coupons and interest checks, as usual, in gold.

In reply I have to inform you that the assistant treasurer was, on the 18th instant, authorized to pay without rebate, in coin or in United States notes as the claimant may prefer, any interest on the public debt payable by law in coin and falling due on the 1st proximo.

Under these instructions you will be enabled to collect interest as usual, until January 1st, 1879, after which date the department deems it advisable, for a while at least, to make coin payments only in New York, where the law requires redemptions to be made, and where the coin reserve can best be maintained.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 751.

[Telegram.]

Agents Nevada Bank of San Francisco to Mr. Sherman.

NEW YORK, *December* 21, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Yesterday's letter received. In accordance with yours of eighteenth, and August circular therewith inclosed, we subscribed for million bonds, understanding that ninety days' privilege was unquestionably granted. If any doubts exist on this point, we fear our head office will prefer to cancel subscription. Kindly reply promptly.

AGENTS NEVADA BANK OF SAN FRANCISCO,
Sixty-Two Wall Street.

No. 752.

[Telegram.]

Mr. Sherman to Agents Nevada Bank of San Francisco.

TREASURY DEPARTMENT *December* 21, 1878.

AGENTS NEVADA BANK SAN FRANCESCO,
62 Wall Street, New York:

The money will remain on deposit as stated, ninety days, but this is only done by reason of the misapprehension into which you have fallen in making the subscriptions, and must not stand as a precedent.

JOHN SHERMAN, *Secretary.*

No. 753.

Agent Nevada Bank of San Francisco to Mr. Sherman.

AGENCY OF THE NEVADA BANK OF SAN FRANCISCO,
New York, December 21, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We received at noon your favor of yesterday's date, with the following closing remarks:

"It should be understood by yourselves and by the bank that while there is little doubt that the money will remain on deposit until the maturity of the 75th call, yet the department must reserve the right, without qualification or condition, to draw the money out at any time."

We very much regret that this proviso has now been interposed, because, in our previous correspondence with your good self relative to this subscription, we find nothing that would lead us to expect it.

On the 18th instant we inquired by telegraph if we could subscribe "with privilege of three months in which to settle for same," to which you replied on the same day by telegraph: "Cannot under the law accept your offer. Can only accept subscription as per circular, *the terms of which are as favorable to you as your offer.* See letter," and the letter referred to covers the circular of August 1, 1878, which distinctly authorizes designated depositaries to retain the subscription money until the call of the corresponding 6 per cent. bonds matures, ninety days hence, and closes with these words: "I hope you will make the subscription on these terms."

Thus you will perceive that not a word in your telegram or letter indicated that you would reserve the right to call for the money before the expiration of the 90 days, and we felt perfectly justified in telegraphing our head office on the 19th, "Just received letter Secretary Treasury, conceding three months' time, if subscription made through depositary."

We now beg to confirm the following telegram which we sent you upon receipt of yesterday's communication:

"Yesterday's letter received. In accordance with yours of the 18th, and August circular therewith inclosed, we subscribed for million bonds, understanding that 90 days' privilege was unquestionably granted. If

any doubts exist on this point, we fear our head office will prefer to cancel subscription. Kindly reply promptly."

Very respectfully, yours, C. T. CHRISTENSEN, *Agent.*

P. S.—2.15 p. m.—We are this moment in receipt of your telegram as follows: "The money will remain on deposit as stated, 90 days, but this is only done by reason of the misapprehension into which you have fallen in making the subscription, and must not stand as a precedent."

Very respectfully, C. T. CHRISTENSEN, *Agent.*

No. 754.

Circular letter to officers of customs.

1878.
Department No. 141.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., December 21, 1878.

Your attention is called to the provisions of the third section of the act of Congress approved January 14, 1875, providing that, on and after the first day of January, anno Domini eighteen hundred and seventy-nine, the Secretary of the Treasury shall redeem, in coin, the United States legal-tender notes then outstanding, on their presentation for redemption at the office of the assistant treasurer of the United States in the city of New York, in sums of not less than fifty dollars.

By reason of this act you are authorized to receive United States notes, as well as gold coin and standard silver dollars, in payment of duties on imports on and after the first day of January, 1879.

Notes thus received will in every instance be deposited with the Treasurer, or some assistant treasurer of the United States, as are other collections of such duties, to be redeemed, from time to time, in coin, on government account, as the convenience of the service may demand.

JOHN SHERMAN, *Secretary.*

No. 755.

Messrs. Kuhn, Loeb & Co., to Mr. Sherman.

NEW YORK, *December* 23, 1878.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Having read in the newspapers the circular, which you contemplate to issue on January 1, in relation to the 4 per cent. loan, we would respectfully ask to be informed whether the additional commissions allowed to subscribers will be paid upon the aggregate of all subscriptions made by us between January 1, and June 30, whether made through one and the same national bank, or through several different banks.

The provision of former laws, that three months' notice shall be given by the Secretary of the Treasury to the holders of 5-20 bonds when called for redemption, entitles all parties having purchased 5-20 bonds since the passage of the act referred to, to the benefit of such notice, and we think the contemplated repeal by Congress of that part of the funding act requiring three months' notice, might be rightly construed as a breach of faith to the public creditor.

Very respectfully, KUHN, LOEB & CO.

No. 756.

Mr. Hawley to the Register of the Treasury.

TREASURY DEPARTMENT, *December* 23, 1878.

Hon. G. W. SCOFIELD, *Register of the Treasury:*

SIR: Department's letter dated the 19th instant, requesting you to deliver to the Treasurer of the United States thé schedules for dividends on United States registered bonds due and payable January 1, 1879, at the offices of the assistant treasurers at Baltimore, Cincinnati, Chicago, Saint Louis, New Orleans, and San Francisco, is hereby modified so far as it relates to schedules of dividends payable at the San Francisco office. These letters you will forward to the assistant treasurer at San Francisco in the usual manner.

Very respectfully,

JOHN B. HAWLEY, *Acting Secretary.*

No. 757.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *December* 26, 1878.

Messrs. KUHN, LOEB & CO.,
No. 31 *Nassau Street, New York:*

GENTLEMEN: In reply to your letter of the 2d instant, you are informed that commissions on subscriptions to the 4 per cent. consols of 1907 are paid only to parties who are purchasing directly from the government.

If you are purchasing through other parties you will, of course, look to them for your commission.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 758.

Mr. Wood to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
COMMITTEE OF WAYS AND MEANS,
Washington, D. C., December 26, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Referring to your communication of 19th inst. upon the subject of the payment of customs duties at the port of New York by certified checks, you will please inform me if you have anything additional to send to this committee.

If you think proper to prepare the draft of such a bill as may embody the views of the department, I should be pleased to be furnished with it.

Very respectfully, FERNANDO WOOD, *Chairman.*

No. 758½.

Mr. Sherman to Messrs. Foote & French.

TREASURY DEPARTMENT, *December* 26, 1878.

Messrs. FOOTE AND FRENCH,
No. 7 Congress street, Boston, Mass.:

GENTLEMEN: In reply to your letter of the 18th instant, respecting commissions to be allowed after January 1, 1879, on subscriptions to the 4 per cent. consols of 1907, I have to state that the scale, as set forth in Department Circular No. 3, dated January 1, 1879, a copy of which is inclosed herewith, was adopted after mature consideration and in the confident expectation that it would result in a large increase of subscriptions.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 759.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *December* 27, 1878.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means,
House of Representatives:

SIR: Your letter of yesterday is received. During my recent visit to New York I heard much from importers, bankers, custom-house officers, and the assistant treasurer upon the subject of the payment of customs duties by certified checks and I believe that the plan suggested by the naval officer is practicable, and have requested him to come here at your convenience to submit it to the committee.

It would be more convenient for him to be here about the second week in January, but he will come whenever desired by you.

He will probably send a draft of the proposed bill next week, and I will at once transmit it to you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 760.

Mr. Sherman to Brown, Riley & Co.

TREASURY DEPARTMENT, *December* 27, 1878.

Messrs. BROWN, RILEY & CO., *Boston, Mass.:*

GENTLEMEN: Your letter of the 12th instant stating that the current of gold exchange is against Boston so that frequent shipments of gold have been necessary from New York to Boston; that under the present system banks will be compelled to ship coin to supply the demand which results in a considerable tax to pay the express charges and tends to keep up a premium of about one-eighth of one per cent. above New York quotations, and suggesting that the assistant treasurers at New York and Boston be instructed upon a deposit of gold coin to issue drafts

made payable without transfer to the depositor's correspondent, has been received.

In reply I have to inform you that the United States assistant treasurer at Boston, Mass., was on the 18th instant, authorized to pay without rebate, in coin or United States notes, as the claimant may prefer, any interest on the public debt payable by law in coin and falling due on the first proximo.

Under these instructions a considerable amount of coin may be put in circulation in your city before January 1, 1879, after which date the department deems it advisable, for a while at least, to make coin payments only in New York where the coin reserve can best be maintained.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 761.

Faneuil Hall National Bank, Boston, to Mr. Sherman.

FANEUIL HALL NATIONAL BANK,
Boston, December 27, 1878.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: The Faneuil Hall National Bank this day presented at the office of assistant treasurer United States in this city a gold certificate for $10,000 for redemption, and received for answer "that it could not be redeemed here."

This certificate (together with similar ones to the amount, in all, of $85,000) was received by this bank in payment of interest on United States bonds held by the bank. They were all taken in good faith on our part that they would be redeemed at the same counter at which they were paid to us.

I am aware that the certificates read that they are issued and payable at the office of assistant treasurer in New York; but the custom so long prevalent of paying them out and redeeming them in Boston had led all holders to believe that they would always be thus paid. I should have declined to receive them in payment for interest on bonds except for that general understanding.

The course adopted by the Treasury in witholding payment of gold certificates in this city is one which will cause great embarrassment to the banks here holding these certificates in their efforts to assist in the maintenance of specie payments, and I beg most respectfully to request you to reconsider your decision on this point.

I have the honor to be, most respectfully,

T. G. HILER, *Cashier.*

No. 762.

Mr. Sherman to the Treasurer United States.

TREASURY DEPARTMENT, *December* 27, 1878.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: In connection with department's circular of the 14th instant concerning the resumption of specie payments, you are directed, on and after the 1st proximo, to keep no special account of coin with any public dis-

bursing officer, and to close any account of that description at that time standing on your books, keeping thereafter but one money of account in your office.

Similar instructions have this day been sent to the several independent treasury officers.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 763.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *December* 28, 1878.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of yesterday is received. I do not see my way clear to issue another call until the one now outstanding is covered by subscription. There is still a deficit of about $4,000,000 on the 71st call. There is not, however, the slightest objection to your stating authoritatively, or if desired I will do so in response to a direct inquiry, that every dollar of the proceeds of 4 per cent. bonds sold during the present year has been applied on calls for refunding, and it is my purpose to continue this unless I give public notice to the contrary.

I feel the more inclined to refuse to make a call by reason of the probable requisition that may be made for the Halifax award, and I do not wish by any chance to impair the resumption fund.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 764.

Mr. Sherman to United States Assistant Treasurer, Philadelphia.

TREASURY DEPARTMENT, *December* 30, 1878.

UNITED STATES ASSISTANT TREASURER, *Philadelphia, Pa.:*

SIR: Your letter of the 27th instant, inquiring whether quarterly-interest checks, coin transfer checks, and coin checks of disbursing officers, dated prior to January 1, 1879, shall be paid after that date, upon presentation, in coin, if the claimant so desires, has been received.

In reply, I have to inform you (1) that quarterly interest checks after the first proximo will be paid as provided in department's circular of the 14th instant, copy inclosed; (2) coin transfer checks on your office dated prior to January 1, 1879, will, when presented, be paid in the usual manner, in coin or in United States notes, as the claimant may prefer; and (3) coin checks of disbursing officers will be paid the same as transfer checks, provided the amount of coin standing to the credit of the drawer January 1, 1879, be sufficient to meet the payment thereof.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 765.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, December 30, 1878.

DEAR SIR: I have the honor to inclose herewith a letter of Mr. H. F. Vail, president of the Bank of Commerce, and chairman of the clearing-house committee, which is submitted for your consideration, as I have no power to grant the relief asked for myself.

It is quite possible that an attempt may be made to-morrow to embarrasss the banks in the gold settlements at the close of the year, and if aid can be afforded them, either in the manner indicated by Mr. Vail or in any other way, I think it would be well to give it. A telegram to-morrow morning will enable me to carry out your wishes in the matter. This will be delivered by a special messenger, whose expenses will be provided for by the party making the application.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

[Inclosure to Assistant Treasurer's letter, December 30, 1878.]

NATIONAL BANK OF COMMERCE IN NEW YORK,
December 30, 1878—3 o'clock p. m.

Hon. THOS. HILLHOUSE,
Assistant Treasurer United States at New York:

DEAR SIR: It appears evident from drafts made upon the banks here to-day for the payment of *gold coin* over their counters, that parties desiring to embarrass *resumption* will endeavor to take advantage to-morrow of the necessarily *very large* transactions of the day from maturing contracts *to create a "corner" in gold*, and probably cause it to be sold at a premium on the last day of the year, and but one day before that fixed for resumption.

This bank has on hand in gold coin and United States gold notes *more than twice* the amount of its gold deposits; so that we fear no embarrassment for ourselves; but having, as chairman of the clearing-house committee, conferred, within the last hour, with two or three parties, and desiring that any such attempt should be frustrated, and in order to facilitate the transactions of to-morrow, so that there may be no serious disturbance, I beg to suggest that you will ask of the Secretary of the Treasury that he will *by telegraph, to-morrow morning*, authorize you (should it be here deemed necessary) to make a transfer of deposit to the extent of *five million dollars* ($5,000,000) *in gold coin* into this bank (or any other of this city) upon a deposit with you of a like amount of legal-tenders as security; which gold we will use by exchanging for legal-tender notes with any other banks or bankers so desiring. If such authority is given to you, I doubt if it would be necessary to use it; as the very fact of my announcing in the morning that we have plenty of gold which we will exchange for legal-tenders with other banks desiring it will have the effect of preventing any attempt at a "corner."

Yours, very respectfully, HENRY F. VAIL, *President.*

No. 767.

Mr. Sherman to Assistant Treasurer United States, Cincinnati, Ohio.

TREASURY DEPARTMENT, *December* 30, 1878.

A. M. STEM, Esq.,
Assistant Treasurer United States, Cincinnati, Ohio:

SIR: Your letter of the 28th instant, referring to the instructions given by this department, under date of the 18th instant, respecting the payment, without rebate, in coin or United States notes, as the claimants may prefer, of any interest on the public debt, payable by law in coin, and falling due on the 1st proximo, and inquiring whether the said instructions are intended to apply to payments made after December 31st instant, or whether you are to be governed by the circular dated December 14, 1878, department No. 135, has been received, and in reply thereto you are advised that after the 31st instant, in making payments of interest on the public debt falling due on the 1st proximo, you will act in strict accordance with the circular above referred to.

Items of coin interest not collected in schedules of July and September, 1878, you will pay in coin as heretofore.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 768.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *December* 31, 1878.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York, N. Y.:

SIR: I have to acknowledge the receipt of your letter of the 28th instant, referring to department's letter of the 27th instant, in which your authority to redeem outstanding "called" bonds prior to their maturity was revoked on and after January 1, 1879, and asking whether you shall continue to redeem such "called" bonds at once after maturity, and in reply thereto you are informed that on and after the 1st proximo you will not redeem at your office any outstanding "called" bonds, but will refer the holders thereof to this department.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 769.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *December* 31, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: I write to confirm my telegram of to-day, as follows: "Proposition considered; legality of transfer questioned. Prepay to-day called bonds under letter October 14, and pay freely all coin liabilities."

In the absence of the President and the Attorney-General, I do not feel like taking the responsibility of directing a transfer of money from

the Treasury to a bank. There is some question as to the legal right to do so, especially as there is a prohibition against taking coin the proceeds of customs duties for that purpose. It seems to me that the fear of a "corner" is exaggerated. At all events I do not feel authorized to do more than is stated in the telegram.

The young gentleman who conveyed your letter delivered it promptly, and it was acted upon as soon as possible.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 770.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT,
Washington, D. C., December 31, 1878.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: It is suggested that under existing law the department may authorize any person, firm, or corporation to deposit with the United States Treasurer, or assistant treasurer at New York, gold coin and bullion in sums not less than $20, and to receive from such officer certificates therefor payable to the order of any collector of customs (naming him) in denominations of not less than $20 each, corresponding with the denominations of United States notes; such certificates to be received at par in payment of customs duties by the collector to whom they are payable, and, when indorsed by him, to be received by the officer who issued them.

Do you see any objections to issuing such a certificate? Would it not tend to bring coin into the Treasury rather than United States notes? Would it not meet the difficulties of the merchants?

Please answer, stating any objections that occur to you, as soon as Thursday next, if practicable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 771.

Circular relative to the manner in which standard silver dollars may be obtained.

1879.
Department No. 2.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., January 1, 1879.

The Treasurer of the United States has been directed, upon the receipt by him from any person of a certificate issued by any assistant-treasurer, designated depositary, or national bank designated as a public depositary of the United States, stating that a deposit has been made to his credit in general account of the sum of one thousand (1,000) dollars (that being the smallest amount shipped by express at government rates), or any multiple thereof, to cause a shipment to be made from some mint of the United States to the person in whose name the certificate is issued of a like amount of standard silver dollars, the expense of transportation to be paid by the mint.

Until further notice, upon receipt by the Treasurer of the United States of United States notes or national bank notes sent for redemp-

tion, in multiples of $1,000, standard silver dollars will be returned under the provisions of this circular.

It is expected that the coin furnished as above will be put into circulation by being furnished to public disbursing officers and to all persons or corporations who desire it for use or distribution as current money.

The assistant treasurers of the United States are also authorized to use the standard silver dollars in their vaults for the general purpose approved in this circular.

United States disbursing agents and paymasters who obtain funds for disbursement from assistant treasurers or depositaries are requested to procure standard silver dollars when practicable for disbursement.

Shipments as above indicated, however, will be made only to points in the United States reached through established express lines by continuous railway or steamboat communication.

JOHN SHERMAN, *Secretary.*

No. 772.

1879.
Department No. 3.
Secretary's Office.

TREASURY DEPARTMENT,
SECRETARY'S OFFICE,
Washington, D. C., January 1, 1879.

The Secretary of the Treasury calls attention to the four per cent funded loan of the United States, now offered by this department in denominations, viz, for cupon bonds of $50, $100, $500, and $1,000, and for registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000, at par, and accrued interest to date of subscription, in coin.

The bonds are redeemable July 1, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers.

Applications should specify the amount and denominations required, and, for registered bonds, the full name and post-office address of the person to whom the bonds shall be made payable.

The interest on the registered bonds will be paid by check, issued by the Treasurer of the Unied States, to the order of the holder, and mailed to his address. The check is payable on presentation, properly indorsed at the office of the assistant treasurer of the United States in New York, in coin or United States notes, as the holder may prefer, or, if desired, in United States notes at the office of the Treasurer or any assistant treasurer of the United States.

All national banks are again invited to become financial agents of the government and depositaries of public moneys received on the sale of these bonds, upon complying with section 5153, Revised Statutes of the United States. All banks, bankers, postmasters and other public officers, and all other persons, are invited to aid in placing these bonds. They can make their arrangements through national banks for the deposit of the purchase-money of the bonds.

The money received by depositary banks on account of subscriptions will remain on deposit with said banks, but subject to the order of the

Treasurer of the United States, and calls for the redemption of six per cent. bonds will issue from time to time as the Secretary may direct.

Payments may be made to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, in coin, matured coupons, coin certificates, or United States notes.

The Secretary of the Treasury will also accept in payment called bonds, certificates of deposit of national banks specially designated to receive deposits on this account, but the bonds will not be delivered until the certificate has been paid for by a Treasury draft or by a deposit of a like amount of coin with the Treasurer or some assistant treasurer of the United States, or until other United States bonds of equal amount are substituted in their stead.

The Treasurer of the United States will also accept, in payment, United States coupons maturing within thirty days, or drafts in favor of himself drawn on New York, which will be collected and the excess, if any, returned by check to the depositor.

Commissions will be allowed on subscriptions for said bonds only as follows:

On an aggregate of subscriptions of $100,000, and not exceeding $1,000,000, between January 1, 1879, and June 30, 1879, one-eighth of one per cent; on an aggregate of subscriptions exceeding $1,000,000 and not exceeding $10,000,000, between the same dates, one quarter of one per cent.; and on amounts in excess of $10,000,000, an additional commission of one-tenth of one per cent.

All blanks, or forms, or information needed will be furnished by the department without cost.

This circular is in lieu of all others previously issued in relation to subscriptions for four per cent. bonds, consols of 1907.

JOHN SHERMAN, *Secretary.*

No. 773.

Seventy-sixth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

1879.
Department No. 4.
Secretary's Office.

TREASURY DEPARTMENT,
January 1, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the first day of April, 1879, and that the interest on said bonds will cease on that day

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 1 to No. 5000, both inclusive.
$100—No. 1 to No. 5000, both inclusive.
$500—No. 1 to No. 6000, both inclusive.
$1,000—No. 1 to No. 6000, both inclusive.
Total coupon $6,000,000

REGISTERED BONDS,

Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 1 to No. 182, both inclusive.	
$100—No. 1 to No. 1500, both inclusive.	
$500—No. 1 to No. 1050, both inclusive.	
$1,000—No. 1 to No. 3700, both inclusive.	
$5,000—No. 1 to No. 1150, both inclusive.	
$10,000—No. 1 to No. 1000, both inclusive.	
Total registerad	4,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to the "Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 774.

Circular concerning payment of duties on imports.

1879.
Department No. 5.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., January 2, 1879.

To facilitate the payment of duties on imports, the Treasurer and the several assistant treasurers of the United States are hereby authorized to receive deposits of gold coin in sums of one hundred dollars or multiples thereof, on account of such payment, and to issue the usual certificates of deposit therefor in denominations of not less than one hundred dollars, in the name of the collector or surveyor of the port at which the duties are to be paid; and any collector or surveyor, in whose name the certificate is issued, is hereby authorized to accept it at par for duties on imports payable at his port, treating the transaction in his accounts as if the money had been collected and deposited by him in the usual manner.

JOHN SHERMAN, *Secretary.*

No. 774½.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 2, 1879.

SIR: It strikes me that certificates of the kind indicated in your letter of the 31st ultimo, issued on deposits of coin and bullion, would be simply coin certificates, limited to the one purpose of paying duties.

Possibly there may be a question whether section 254 Revised Statutes contemplates the issue of certificates with such a limitation, but assuming that there is no legal objection, the question arises whether the holders of coin available for all purposes would exchange it for certificates available for only a single purpose. I think it doubtful if they would to any great extent; and if the conclusion is correct, the plan if carried out would not be likely to add very materially to the stock of gold in the Treasury, nor would it, in my judgment, be of much benefit to payments to the custom-house. What importers complain of is the risk they incur in transporting money there; but would not the risk be as great, or nearly as great, if they had to transport it to the Treasury for the purpose of procuring certificates? It seems to me it would, and that this consideration would make them indifferent about availing themselves of the privilege. To make the payment of duties more convenient and safe is an important object, but I can see no way of accomplishing it except by dispensing with the use of money altogether, and permitting the substitution therefor of certified checks in some one of the forms proposed.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

Hon. JOHN SHERMAN, *Secretary.*

No. 775.

Circular letter to Independent Treasury Officers.

TREASURY DEPARTMENT, *January* 2, 1879.

SIR: I send herewith copies of department's circular of to-day, authorizing the issue of certificates of deposit in the name of the proper customs officer and on account of duties on imports for amounts deposited by importers.

For the present you will please each day advise this office and the proper customs officer of any certificate issued by you under the provisions of the circular, describing fully each certificate issued.

Should there be any considerable amount deposited in this manner, proper blanks for rendering statements, giving information as above requested, will be prepared and furnished your office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 776.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *January* 2, 1879.

Hon. JAMES GILFILLAN,
Treasurer of United States:

SIR: I have this day instructed the several sub-treasury offices, except San Francisco, by telegraph, as follows: "Under department circular No. 2, dated first instant, you will receive deposits for silver dollars in United States notes only."

These instructions will also apply to your office except for deposits received on this account through the National Bank Redemption Agency.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 777.

Assistant Treasurer of the United States, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January 2d* (1879).

Hon. JOHN SHERMAN,
Secretary Treasury, Washington, D. C.:

Everything moving along quietly here. Notes offered for redemption in gold insignificant in amount. Will report the exact figures to Treasury at the close of business to-day.

THOS. HILLHOUSE, *Asst. Treas. U. S.*

No. 778.

Mr. Wood to Mr. Hawley.

HOUSE OF REPRESENTATIVES,
COMMITTEE OF WAYS AND MEANS,
Washington, D. C., January 3, 1879.

DEAR SIR: Please furnish me with the number of persons or corporations in whose names the registerd United States bonds stood January 1, 1879—the 4s and 4½ per cent., each class stated separately, by to-morrow, if possible, and oblige,

Yours truly, FERNANDO WOOD.

Hon. J. B. HAWLEY,
Assistant Secretary of the Treasury.

No. 779.

Mr. Hawley to Mr. Wood.

TREASURY DEPARTMENT, *January 3*, 1879.

HON. FERNANDO WOOD, *House of Representatives:*

SIR: In reply to inquiry of this date, I have the honor to inform you that the number of persons and corporations holding registered bonds in the 4½ per cent. funded loan, and the 4 per cent. consols of 1907, as ascertained on the last dividend days, was as follows:

4½ per cent. loan for December 1, 1878	10,568
4 per cent. consols of 1907, January 1, 1879	21,364

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 780.

Seventy-seventh call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

1879.
Department No. 8.
Secretary's Office.

TREASURY DEPARTMENT,
January 4, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 4th day of April, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 5001 to No. 11000, both inclusive.	
$100—No. 5001 to No. 11000, both inclusive.	
$500—No. 6001 to No. 11000, both inclusive.	
$1,000—No. 6001 to No. 13000, both inclusive.	
Total coupon	$6,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1*st day of July*, 1872," *as follows:*

$50—No. 183 to No. 400, both inclusive.	
$100—No. 1501 to No. 2800, both inclusive.	
$500—No. 1051 to No. 2000, both inclusive.	
$1,000—No. 3701 to No. 7400, both inclusive.	
$5,000—No. 1151 to No. 2600, both inclusive.	
$10,000—No. 1001 to No. 2000, both inclusive.	
Total registered	4,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registed bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving the name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 781.

Mr. Hawley to Assistant Treasurer, San Francisco.

[Telegram.]

TREASURY DEPARTMENT, *January* 4, 1879.

UNITED STATES ASSISTANT TREASURER,
San Francisco, Cal.:

You may continue to give silver certificates in exchange for gold coin.

JOHN B. HAWLEY, *Acting Secretary.*

No. 782.

Seventy-eighth call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

1879.
Department No. 9.
Secretary's Office.

TREASURY DEPARTMENT,
January 6, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 6th day of April, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1867, namely:*

$50—No. 11001 to No. 18000, both inclusive.
$100—No. 11001 to No. 18000, both inclusive.
$500—No. 11001 to No. 16000, both inclusive.
$1,000—No. 13001 to No. 20000, both inclusive.

Total coupon	$6,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 401 to No. 550, both inclusive.
$100—No. 2801 to No. 4400, both inclusive.
$500—No. 2001 to No. 2850, both inclusive.
$1,000—No. 7401 to No. 11000, both inclusive.
$5,000—No. 2601 to No. 3550, both inclusive.
$10,000—No. 2001 to No. 2800, both inclusive.

Total registered	4,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 783.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *January 6, 1879.*

CHARLES M. FRY, Esq.,
President of the Bank of New York
National Banking Association, New York:

SIR: I have to acknowledge the receipt of your letter of the 2d instant, referring to your subscription on that day for one million 4 per cent.

consols of 1907, and asking that the three millions subscribed for by your bank previous to January 1, 1879, be considered, as far as relates to the payment of commission, as having been subscribed for subsequent to that date, and also suggesting that should your subscriptions aggregate ten millions, the one-tenth of one per cent. commission provided for in department circular No. 3 (1879), on amounts in excess of ten millions, be allowed to your bank on the whole amount subscribed for.

In reply thereto, I have to state that I cannot, in justice, vary from the rule established, but I have no doubt that your total subscriptions will reach so large an amount as to leave you no grounds for complaint as regards compensation.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 784.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *January* 6, 1879.

GEN. THOMAS HILLHOUSE,

Assistant Treasurer United States, New York:

SIR: Your letter of the 2d instant is received. I had no great faith that the order providing for certificates for the payment of customs duties would answer all the purposes designed, but as these certificates may be issued to any one, but are payable only to the collector, and as various amounts in multiples of one hundred might be procured at one time, thus avoiding separate sendings of money, I thought they would be useful in protecting importers against the possibility of loss or misapplication of money on the way, and might, at least, tend to prepare the way for a better plan by the use of certified checks properly guarded.

I would like you to confer with merchants and importers as opportunity offers, with a view to the adoption of some feasible plan agreeable to them for the payment of customs duties.

I inclose a draft of a bill prepared by the collector and naval officer at New York, to the first section of which I invite your attention.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 785.

Mr. Sherman to Covington City National Bank, Covington, Ky.

TREASURY DEPARTMENT, *January* 6, 1879.

PRESIDENT COVINGTON CITY NATIONAL BANK, *Covington, Ky:*

SIR: Your letter of the 2d instant, asking if you can deposit, as security for deposits on account of subscriptions to the 4 per cent. loan, other 4 per cent. bonds, and if the 4 per cent. bonds will be accepted as security for circulation, also if you can make payments for the bonds subscribed for either in your city or in New York, at your option, has been received.

In reply, I have to inform you that the 4 per cent. bonds of the United States will be received as security both for deposits on account of subscriptions to the loan and for circulation.

Payments for the bonds subscribed for can be made by directing your correspondent in any city where an assistant treasurer is located to deposit with such assistant treasurer in the name of your bank the amount of coin to be transferred.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 786.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *January* 7, 1879.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means, House of Representatives:

SIR: In the process of refunding under the provisions of the act approved July 14, 1870, it is unavoidable that the United States pay double interest during the period of the public notice of three months required to be given to the holders of the 5-20 bonds, until the 4 per cent. bonds are sold.

The 6 per cent. bonds cannot safely be called, and during the running of the call it has been customary to deposit the money either in the Treasury or with depositary banks, under the provisions of section 5153, Revised Statutes. Usually the latter course is adopted, as the money, while nominally deposited with the banks, to some extent enters into the channels and course of business, and such deposit is an inducement to the banks to aid in the refunding process. Different expedients have been suggested to avoid this loss of interest, and in my last annual report I had the honor to propose that the call should, at the discretion of the Secretary of the Treasury, be for a shorter period.

The very large subscriptions now being made to the 4 per cent. loan lead me to the belief that if this department, in addition to existing powers, was authorized to make direct exchanges of 4 per cent. bonds for uncalled 6 per cent. bonds, paying the interest on both bonds for the period of three months, the desirable process of refunding would go on more rapidly. The double interest would then be a great inducement to the holders of the 5-20s to make the exchange directly with the department rather than to postpone until calls are made.

I therefore inclose a draft of a section to be attached to any appropriate bill.

Would it not also be well to extend the authority to refund after the 5-20s are exhausted to all bonds that are redeemable and bear interest at the rate of 5 per cent., or more?

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 787.

Mr. Sherman to First National Bank of New York.

TREASURY DEPARTMENT, *January* 7, 1879.

VICE-PRESIDENT, *First National Bank, New York, N. Y.:*

SIR: In answer to your letter of the 6th instant requesting authority to deposit United States notes with the several assistant treasurers on

account of transfer of funds from your bank, I have this day telegraphed you as follows:

"Transfers of funds on account of loan from depositary banks to sub-treasury must, under the provisions of circular of 1st instant, be made in coin."

The main object of the department in designating national banks as public depositaries to receive subscriptions on account of the loan, was to secure payment therefor in actual coin, or called bonds, without disturbing the market, and the commissions allowed on subscriptions and the large balances held by national banks during the running of a call, are regarded by the department as a sufficient inducement for the banks to make payment in accordance with the conditions of department's circular of the 1st instant.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 788.

Mr. Sherman to Faneuil Hall National Bank, Boston, Mass.

TREASURY DEPARTMENT, *January* 7, 1879.

CASHIER, *Faneuil Hall National Bank, Boston Mass.:*

SIR: I have received your letter of the 27th ultimo stating that the custom so long prevalent of paying out and redeeming gold certificates at the sub-treasury at Boston has led all holders to believe that they would be redeemed at any time upon presentation, and that banks in your city are embarrassed, in their efforts to assist in maintenance of specie payments, by the recent order discontinuing the redemption of the certificates at the Boston office.

The assistant treasurer in your city has made a similar statement as to the long continued practice of his office under department's instructions of December 6, 1871, concerning the redemption of gold certificates, and in view of the circumstances as stated, it is deemed proper to redeem, at his office as heretofore, any gold certificates obtained under those instructions and now held in your vicinity.

The assistant treasurer has, therefore, been directed to redeem in gold coin, if preferred, any gold certificates presented for redemption, when satisfied that they have been received from his office and held under the impression created by the instructions of December 6, 1871, that they would be redeemed by him at any time upon presentation.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 789.

Mr. Sherman to Messrs. De Haven & Townsend.

TREASURY DEPARTMENT, *January* 7, 1879.

MESSRS. DE HAVEN & TOWNSEND, *Philadelphia, Pa.:*

GENTLEMEN: Your letter of 3d instant, concerning the difficulty in obtaining gold in Philadelphia and suggesting that the United States assistant treasurer in your city be instructed to pay coupons in gold has been received.

In reply I have to state that to obviate this difficulty the assistant treasurer in your city was, on the 18th ultimo, authorized to pay without rebate, in coin or United States notes as the claimant preferred, any interest on the public debt payable by law in coin, and falling due January 1, 1879. Under these instructions a considerable amount of coin must have been put in circulation in your city before January 1, 1879, at which date the provisions of department's circular of December 14, 1878, concerning resumption of specie payments, and requiring all coin payments to be made in New York took effect.

While I have no doubt that in a short time satisfactory arrangements will be made for the redemption in coin, of both United States notes in coupons in Philadelphia and other cities, the department deems it advisable, for the present at least, to make coin payments only in New York where the coin reserve can best be maintained.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 790.

Seventy-ninth call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

1879.
Department No. 11.
Secretary's Office.

TREASURY DEPARTMENT,
January 8, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty Bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the eighth day of April, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July 1, 1867, namely:*

$50—No. 18001 to No. 23000, both inclusive.	
$100—No. 18001 to No. 24000, both inclusive.	
$500—No. 16001 to No. 22000, both inclusive.	
$1,000—No. 20001 to No. 27000, both inclusive.	
Total coupon	$6,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 551 to No. 800, both inclusive.	
$100—No. 4401 to No. 5900, both inclusive.	
$500—No. 2851 to No. 3800, both inclusive.	
$1,000—No. 11001 to No. 13500, both inclusive.	
$5,000—No. 3551 to No. 4300, both inclusive.	
$10,000—No. 2801 to No. 3500, both inclusive.	
Total registered	4,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered

bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 791.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 10, 1879.

SIR: I have received your letter of the 6th instant, with a printed copy of a bill, to the first section of which (relating to the payment of duties) you ask my attention.

From what I have been able to gather as to the views of the merchants on the subject, I am rather confirmed in the opinion heretofore expressed, that they wish to avoid the use of actual money in the payments of duties, and to be permitted to pay in certified checks. If it is decided to sanction their use, the only remaining question would seem to be, what plan would combine in the greatest degree the three important requisites of simplicity, convenience, and safety.

In the two first particulars there can be no question that ordinary certified checks (such as are in general use) drawn on deposits in bank, would be preferable; but would it be safe for the government to receive them?

On this point, a theoretical and practical view might differ. Theoretically, they might be said to be unsafe for several reasons; and yet, practically, the conclusion might be controverted by an appeal to facts, as, for instance, that the records of the clearing-house give no evidence of the loss of a dollar in that way during the twenty-six years of its existence. It is said, also, that in any event the government would be a preferred creditor as the holder of a certified check on a suspended bank, and that it would have the further security of the property on which the duties had been levied. But I have not considered these points, and am not therefore prepared to express an opinion. I may suggest, however, that if the practical view of their safety be accepted, there would be no objection remaining, so far as I can see, to receiving certified checks on banks, except that it would be a broad departure from the practice of the government hitherto in the collection of its revenues. The Secretary can best determine as to the propriety and expediency of such a change.

With respect to certified checks on deposits in the Treasury, I think the section as amended in the printed copy of the bill now before me is improved by limiting the right of deposit to banks, and thus guarding against its abuse. It has occurred to me, however, since my letter of December 28, 1878, on this subject, that to confer the right of deposit in a government office on a corporation or an individual (unless an official of the government), the money to be placed to the credit of the depositor and drawn for at will, would truly be an innovation as great as that involved in the use of certified checks. If such changes are, as far as possible, to be avoided, a law in the form proposed might, on that score,

be considered more objectionable than if it simply permitted the payment of duties in certified checks, and there stopped.

I have heard it intimated, too, that the banks would not be likely to deposit money in the Treasury to be drawn only for a single purpose, because if not drawn it would only add to their idle capital. I do not know how much weight should be given to such an opinion, but, assuming it to be correct, it would of course destroy the efficacy of the plan, and, in fact, the plan itself, as deposits in the Treasury are the basis of it.

I submit these suggestions, confessing at the same time that further reflection has changed the qualified preference given in my previous letter to the plan of deposits in the Treasury. As already remarked, the Secretary is best able to judge of the propriety and expediency of permitting the use of certified checks, but, that question being decided in the affirmative, it would, on the whole, I think, be better to have them drawn on deposits in bank.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 792.

Mr. Sherman to Messrs. Barker Brothers & Co.

TREASURY DEPARTMENT, *January* 10, 1879.

Messrs. BARKER BROS. & CO., *Philadelphia, Pa.:*

GENTLEMEN: Your letter of the 8th instant, asking whether the action of the United States assistant treasurer in your city in declining to pay interest on United States bonds other than in legal tender notes or coin drafts on New York is in compliance with department's instructions, has been received.

In reply I have to inform you that the assistant treasurer's action in the matter is in compliance with department's circular instructions of December 14, 1878, concerning the resumption of specie payments, which took effect January 1, 1879.

At the outset of resumption it was deemed the true way to treat interest on the public debt precisely like United States notes, both to be paid in coin at New York, which is now being done under the provisions of the above-named circular and which is strictly legal and proper.

It is, however, the desire of the department, as a matter of convenience to public creditors, to pay as soon as practicable both United States notes and interest at the several sub-treasury offices in coin, if desired, and it is hoped that such an arrangement will soon be made.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 793.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 11, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 10th instant.

The only securities received by us for four per cent. bonds delivered are

other United States bonds, including the currency sixes, but excluding District of Columbia's, gold coin or gold certificates, standard silver dollars or silver certificates, and United States notes. The United States bonds are taken at par without reference to any premium or interest, and United States notes at a margin of five per cent. previous to resumption, now at par. Coin and coin certificates also at par.

The nature and amount of the securities held for account of each depositor are set forth in our daily statements, which also show the amount of four per cents undelivered in each case.

We have had examinations from time to time for the purpose of testing the correctness of the statements, by an actual count of the securities, one of which examinations was made by an officer of the department at your instance in November last. In every instance the amount was found to be correct, and the securities of the kind we are permitted to accept.

The management and custody of the securities was placed in the hands of our cashier, Mr. White, as I could not take charge of them myself, and for the additional reason that he was more competent to discharge so important and responsible a duty than any other person I could select for that purpose. It is so great a tax on his time, however, owing to the constant change of securities, and withdraws him so much from his ordinary duties, that it would be a great relief if he could have some aid. In fact, should the business of refunding go on increasing, and, especially, should the number of depositing banks increase, it will be necessary to divide the work in some way; for it will be impossible even for so competent an officer as Mr. White to perform it without detriment to other important matters which are constantly needing his attention. We have already had an application from a Providence bank, which we declined until instructed how far we can extend the privilege. Should other similar applications follow, there is no telling how many additional accounts their acceptance would make it necessary to open, in addition to those of the New York City banks.

I do not wish to be understood as objecting to any duty that may be put on this office, within the discretion of the Secretary and the limit of our ability to perform it, much less any duty connected with the important measure of refunding; but the Secretary will see that if there is to be any further increase in the amount of subscriptions and the number of depositing banks, we will require aid, or some plan must be devised by which we can be relieved from the care and responsibility of the securities altogether.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 794.

Eightieth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

1879.
Department No. 13.
Secretary's Office.

TREASURY DEPARTMENT,
January 11, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the

bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 11th day of April, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 23001 to No. 27000, both inclusive.	
$100—No. 24001 to No. 31000, both inclusive.	
$500—No. 22001 to No. 27000, both inclusive.	
$1,000—No. 27001 to No. 34000, both inclusive.	
Total coupon	$6,000,000

REGISTERED BONDS.

"Redeemable at the pleasure of the United States after the 1st day of July, 1872, *as follows:*

$50—No. 801 to No. 1150, both inclusive.	
$100—No. 5901 to No. 8200, both inclusive.	
$500—No. 3801 to No. 4850, both inclusive.	
$1,000—No. 13501 to No. 17650, both inclusive.	
$5,000—No. 4301 to No. 5330, both inclusive.	
$10,000—No. 351 to No. 480, both inclusive.	
Total registered	4,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 795.

Mr. Sherman to Chase National Bank, New York.

TREASURY DEPARTMENT, *January* 13, 1879.

JOHN THOMPSON, Esq.,
President Chase National Bank, New York:

SIR: Your note of the 11th instant is received, in which you express your opinion that the scale of commissions on the four per cent. bonds adopted January 1 is a mistake, "politically and financially," and suggest that I fall back on the 1st of August scale.

I have not thought of the political bearing of the scale of commissions referred to; but if convinced that it is not in the interest of the government financially, I will promptly abandon it. It was adopted only after full reflection, and after the public had been notified that it was under consideration, and no objection to it had been elicited.

The former scale gave one-fourth of one per cent. to all subscribers, without respect to the amount, and required the department to transport the bonds at its expense to the residences of the subscribers.

The present scale reduces the average percentage of commissions and greatly lessens the cost to the government of transportation and clerical labor in the department, as the bonds are sent in large sums to the chief cities by private messenger to be distributed from thence at the expense of subscribers.

But the chief reason for the new scale was to secure the active co-operation of the banks and bankers of the United States in the sale of the bonds, and to excite, if possible, a spirit of rivalry among them as to the amount of sales.

While the same commission was offered to all of twenty-five cents on one hundred dollars there was no inducement to any one to enter upon the business of buying bonds to sell again, except the facility extended by the law to national banks during the running of the call, and this, as you know, was hazardous to the banks while the price of gold coin was fluctuating.

Under the old-scale commissions we got less than one hundred out of the two thousand banks to engage in the sale of bonds.

When I entered the department your old bank, the First National of New York, as a member of the syndicate, was conducting the entire business.

When the syndicate was dispensed with by me, and popular subscriptions invited, that bank, having the advantage of experience and familiarity, naturally continued in the lead of business, their subscriptions to the four per cents amounting to over $50,000,000 during the last year.

It is understood that you were not willing as an officer of the bank to take the risk of the fluctuations of gold, and retired.

I confess if in your place I would have hesitated, as you did, in taking this risk.

The government was careful, however, to require ample security in United States bonds or money for every subscription, and it is just to say that the subscriptions of the bank were met fully, fairly, and promptly.

Now, however, the risk of funding is lessened, since the government pays its notes in coin. The process of refunding is but an exchange of four per cent. bonds for six per cents, and the only caution needed by a banker is not to subscribe for more than he can sell or pay for in United States notes or coin.

The rapid conversion of the 5-20s is of great public interest. I believed that a graduated scale of commissions would hasten this by inviting competition, and my anticipations have been fully realized.

We have called bonds to the amount of $50,000,000 since the first of this month.

The number of depository banks engaged in these sales has increased and is daily increasing, and other national and State banks and bankers are aiding in this good work through depository banks.

Several of the leading banks of New York, including the Chase National, are handsomely competing with the First National, and already have made very large subscriptions, and will, no doubt, within the six months, exceed the maximum of ten millions. The individual subscriber does not complain, for the competition secured already gives him the full benefit of the largest commission allowed.

The three months prescribed by law for conversion gives ample time for buying up or redeeming the called bonds. The national banks are financial agents of the United States and should, without respect to profit, assist the government.

I trust that every one of them will, in this beneficial process of refunding, do so, and I assure you that while I can speak for this department they shall all have equal facilities in this business without fear or favor.

From the experiment thus far, it would seem that the new scale of commissions is judicious and beneficial, but if it proves otherwise I will at once revoke it.

As this is a public matter I have no objection to your making such use of this letter as you think proper.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 796.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK
NATIONAL BANKING ASSOCIATION,
New York, January 13, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Your letter of the 6th duly received, contents noted. I regret that you could not comply with my request in allowing us to include our December subscriptions with the January. We are doing considerable and hope soon to get the amount up to ten millions and over.

The sterling exchange market is very stiff—advanced this morning to 488½ for demand. I don't want to see gold shipping to the other side.

I had a conversation with General Hillhouse, on Saturday, as to the best mode of our importers paying duties so as to avoid risk and at the same time make the government secure beyond any question. He told me he had written to you giving his views. At a meeting in the clearance-house on Thursday last—being present, Mr. Vail, president Bank of Commerce; B. B. Sherman, president of the Mechanics' Bank; Mr. Tappan, president of the Gallatin, and me—the matter was discussed as to the proposed plan of the banks making deposits in the sub-treasury, and checking on it for duties. The conclusion arrived at was that it would be attended with a good deal of trouble, which many of the banks, if not all, would object to incurring (expense, &c.), whereas a certified check, drawn on any bank in the clearing-house, payable to the collector, for duties only, would be safe. I have no doubt General Hillhouse has written you fully on this particular point. I shall be much pleased if you can see your way clear to favor this plan. I am sure it will be highly appreciated by our importers.

I am, yours, faithfully, CHAS. M. FP[illegible], *President.*

No. 797.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK, *New York, January* 13, 1879.

DEAR SIR: Lest you should think that we have gone out of business, let me tell you that we are buying our 4s here for the present, because

we can buy them in New York ⅜ per cent. cheaper than we can get them from you. And if you have to-morrow morning large subscriptions, it may be due to the fact that we have to-day bought in New York nearly nine millions ourselves.

Yours, truly, H. C. FAHNESTOCK.

Hon. JOHN SHERMAN.

No. 798.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 13, 1879.

SIR: The transactions at this office since resumption show that there is very little demand for gold, either in redemption of United States notes or in payment of coin obligations of the government, which of course include interest on the public debt. It is safe to say that more than three-fourths in amount of all interest checks presented at the counter are paid in notes, to which must be added coin checks presented through the clearing-house. At present the decrease in the amount of gold paid out on coin obligations counterbalances the substitution of notes for gold in the payment of duties. Then, too, there are frequent applications for the exchange of gold for United States notes. These facts justify the conclusion that, for the present at least, there is to be no drain of gold from the Treasury in ordinary disbursements or on redemption account, or coin in the operation of refunding, so long as the calls do not exceed the sales of the 4 per cents. There is indeed a marked decrease in the amount of gold received for duties, owing to the substitution of silver and United States notes. This decrease, however, is not disquieting, as there is an equal, if not greater, decrease in the payments. The two facts taken together would seem to indicate that gold will not be used in business transactions to any great extent, convertible notes being more convenient. Meanwhile, in the absence of any export demand, the stock in the country must gradually increase from production, and this increase, except in so far as it may be absorbed in the circulation, will be apt to find its way through one channel or another to the Treasury.

In regard to silver, there is nothing of special interest to notice as to its movement since resumption, and, so far as I can see, it must still continue to accumulate in our vaults. In this State, as in New England, the people do not seem to desire it, and the banks do not want to take it on deposit. Still more significant is the fact that a bill has been introduced in our legislature (a copy of which I inclose) to exclude it in the payment of taxes, and even contracts, unless it be specifically mentioned. I am informed it will in all probability pass, and should other States enact similar laws, it will at once raise a question as to the scope and limitation of State authority over the subject. As the power of taxation is a concurrent power, and as revenues are as necessary to the existence of a State as to that of the United States, the presumption would be that a State may compel the payment of these revenues in any kind of money it chooses, and this presumption seems to be borne out by the decisions of the courts. But when it comes to a definition of the word "dollars," and a restriction of it so as to exclude a legal-tender coin of the United States, unless specifically named in the contract, the authority does not seem so clear.

In any event the silver men are soon likely to have an opportunity of bringing the charge of violating a law of Congress against more conspicuous offenders than even the associated banks of this city.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 799.

Mr. Sherman to Mr. Fahnestock.

TREASURY DEPARTMENT,
Washington, D. C., January 14, 1879.

H. C. FAHNESTOCK, Esq., *New York:*

DEAR SIR: Your note of the 13th instant is received.

In buying the fours thrown upon the market, you are rendering as much service to the government as if you bought directly. Indeed, I am glad you are buying from the market rather than from the department. I do not wish to force this refunding operation too much, lest it may embarrass resumption. I only fear that some eager parties may subscribe for more than they can sell and pay for by called bonds or coin within the running of the call. This is the only contingency that disturbs me.

Very respectfully, JOHN SHERMAN.

No. 800.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *January* 14, 1879.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 11th instant, in respect to the amount and nature of securities taken for four per cent. bonds delivered, is received, and your management of this business approved.

I have no directions to give to change in any respect this management, but will render you any clerical or other assistance you may desire. While the subscriptions are so large the responsibility is great; and I think Mr. White ought to devote all the time necessary to this important duty. You refer to aid required in case of increased subscriptions. Any suggestions in this respect will be at once considered and complied with.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 801.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *January* 14, 1879.

CHARLES M. FRY, *President The Bank of New York National Banking Association, New York:*

SIR: Your letter of the 13th instant is received.

In respect to the proposed plan of receiving certified checks for customs duties, I have to advise you that I found the Committee of Ways and Means, including Mr. Wood, the chairman, very much indisposed to make so radical a change of the law as you suggest. I left with them the bill prepared by the customs officers in New York, a copy of which you have no doubt seen, and they have the subject-matter under consideration.

From what was said I inferred that they would only agree that coin deposits might be made with the assistant treasurer at New York, and certificates of suitable denominations issued, receivable only for customs dues.

I notice that your subscriptions are rapidly approaching the ten-million limit, and that there is a healthy competition between several of the leading banks in New York in the business of refunding.

I trust with you that your subscriptions will soon reach the point where you will be entitled to the highest rate of commission.

It may be that the rate of sterling exchange is advancing by reason of the expectation that the amount of called bonds is so large as to lead to the shipment of coin.

Very respectfully,

JOHN SHERMAN, *Secretary*

No. 802.

Continental National Bank, New York, to Mr. Sherman.

CONTINENTAL NATIONAL BANK, *New York, January* 14, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are to-day in receipt of information that it is proposed to allow holders of called bonds in subscribing for the "new fours" all the advantages heretofore extended to the national banks through which the subscriptions so far have been effected.

We trust you will not regard the suggestion presuming if we beg that you will reflect that such a course, if adopted, will, without doubt, tend largely toward decreasing the subscriptions through the banks.

The banks, many of them, have striven earnestly to aid in carrying out your views, and their efforts have not been entirely without success. This institution has secured and sent forward within ten days subscriptions for nearly $15,000,000 of the "new fours," and we had hoped to be able within the month to double the amount.

In view of this fact, though self-interest may seem to prompt its expression, we cannot help feeling a certain sense of regret at the suggestion of any course which, if adopted, would render less efficient the aid of the banks in funding the government debt.

Sincerely hoping that the proposed measure will not be carried into effect, I am yours, with much respect,

FRED. TAYLOR, *Cashier.*

No. 803.

Eighty-first call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

1879.
Department No. 14.
Secretary's Office.

TREASURY DEPARTMENT,
January 14, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 14th day of April, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 27001 to No. 37000, both inclusive.
$100—No. 31001 to No. 47000, both inclusive.
$500—No. 27001 to No. 37000, both inclusive.
$1,000—No. 34001 to No. 48000, both inclusive.

Total coupon	$12,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 1151 to No. 1550, both inclusive.
$100—No. 8201 to No. 11400, both inclusive.
$500—No. 4851 to No. 6250, both inclusive.
$1,000—No. 17651 to No, 23750, both inclusive.
$5,000—No. 5331 to No. 7100, both inclusive.
$10,000—No. 4801 to No. 9950, both inclusive.

Total registered	8,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 804.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *January* 14, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 13th instant is received, in which you state the transactions at your office relating to resumption, which are quite satisfactory.

Some complaint has been made at Philadelphia and other cities about the non-payment of interest on public securities as formerly at those places except by check on New York. I have been considering the propriety of paying, for February at least, the schedule and coupon interest at the different sub-treasuries, and would be pleased to have your opinion of the expediency of this.

The utmost efforts should be made to cause the general distribution and circulation of silver dollars, in which I ask your assistance.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 805.

Mr. Sherman to Messrs. Seligman & Co.

TREASURY DEPARTMENT, *January* 15, 1879.

Messrs. J. & W. SELIGMAN & CO., *New York:*

GENTLEMEN: In response to your verbal inquiry, I have to advise you that I will deliver in London, to you or your associates, four per cent. bonds of the United States of the present loan at par, and interest to date of subscription in coin, upon receiving in advance a subscription "firm" of $5,000,000.

The department will allow a commission of one-fourth of one per cent.

Payment for the bonds must be made within three months of date of subscription, either in called bonds or coin; the bonds to be delivered when a payment is thus made, or when secured by an equal amount of bonds of the United States bearing interest exceeding four per cent.

If your subscriptions exceed $10,000,000, an additional commission of one-tenth of one per cent. will be allowed on the excess, as provided in the department circular of the 1st instant.

If this arrangement is made, while you subscribe at the rate of $5,000,000 per month you will be the only agent designated by the department for the sale of these bonds in Europe for a period not exceeding five months.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 806.

Mr. Cook to Mr. Sherman.

CHICAGO, *January* 15, 1879.

Hon. JOHN SHERMAN:

SIR: * * * You will allow me the privilege of saying to you that your action in regard to silver is not just, but to me seems unwise. By what right, except an arbitrary one, have you as Secretary of the Treasury to make any distinction in the three forms of money now in circulation? If you are holding silver as your trump card against any raid upon the government for redemption of greenbacks, all right. But for any other reason *it is unwise;* and let me tell you that if you have *higher ambitions,* if this course is followed you will certainly fail of realizing them.

Silver should circulate equally with gold. The people *prefer the silver* for circulation. No one wants gold, but everywhere I hear the demand for silver.

People prefer greenbacks to either gold or silver. There is no fear or complaint that silver will depreciate. So, if you are wise, you will, to the extent of the law, let silver go, and while you hold your present position continue to do so.

The people demand this.

I have sustained, and did from the start, President Hayes's southern policy, but the most unwise and foolish thing he ever did was to veto the silver bill.

Understand, I have not a dollar's interest in silver mines. I wish to see you honestly and faithfully act up to the silver law, in the interest of all concerned and the Republican party.

I am very truly yours, E. G. COOK.

No. 807.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 15, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 14th instant, and in reply to that portion of it relating to the payment of the February interest, am inclined to think it would be best to place all cities in which there is a sub-treasury on the same footing. It is hardly probable that there can be any greater demand for gold elsewhere than here, and even if there is it might be better to satisfy it rather than make any discrimination. If there is no demand for gold, United States notes will be accepted in preference. On the other hand if there *is* a demand, it will be sought for the more eagerly in proportion to the difficulty of obtaining it. If the whole amount of February interest usually paid at cities other than New York should be taken in coin, it would not amount to a very large sum. For these reasons I should act on the assumption that the indifference manifested for gold here is a pretty good index of the feeling elsewhere, and that in all probability equal facilities could be given for obtaining it, without much danger.

In regard to the circulation of silver, I can only regret that my ability to carry out the wishes of the Secretary is so much less than my desire. I was never of the opinion that the people could hanker much after silver, so long at least as there was a plentiful supply of small notes redeemable at any time in gold, but the utter neglect of it, both in city and country, so far as my observation extends, is more than could have been reasonably expected.

However, we shall avail of every opportunity to put it in circulation.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 808.

Mr. Sherman to Continental National Bank, New York.

TREASURY DEPARTMENT, *January* 16, 1879.

FRED. TAYLOR, Esq., *Cashier Continental National Bank, New York:*

SIR: Your letter of the 14th instant is received.

I think you are in error in respect to the effect of Mr. Wood's bill authorizing an exchange of uncalled 5-20s for four per cent. bonds.

The only effect of this bill is to enable the department in such an exchange to allow the three months' interest on the fours in the nature of a premium.

This when done will no doubt be through the banks, and will increase rather than diminish the amount of refunding.

I have noticed with much pleasure your large subscriptions, and will be very glad to extend to you every facility in this business.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 809.

Messrs. Seligman & Co. to Mr. Sherman.

NEW YORK, *January* 16, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury, Washington:*

SIR: We beg to acknowledge receipt of your valuable favor of the 15th, and are glad to be able to serve the government and the administration.

We have invited Messrs. Drexel, Morgan & Co. and Messrs. Morton, Bliss & Co. to join us, and have asked Mr. Belmont to telegraph to the Messrs. Rothschild at London to join.

We expect replies from these gentlemen within a few days. Messrs. Morton, Bliss & Co. have already consented to act with us, and the other firms probably will; but whether they do or not, we shall wait upon you early next week with our associates for the purpose of perfecting a contract which will admit of large sales of our four per cent. consols abroad, and thus obviate the unpleasant necessity of shipping large amounts of gold abroad to pay for 1867 bonds called by your department.

We remain, dear Mr. Secretary, yours, very respectfully,

J. & W. SELIGMAN & CO.

No. 810.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *January* 16, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We hereby beg to inquire whether a proposition would be taken into consideration by you for the sale to us of the fifty millions four-and-a-half per cents yet unissued under the funding act, provided we will purchase the same at a price equal to the four per cents at .99$\frac{65}{100}$ and accrued interest.

Very respectfully, KUHN, LOEB & CO.

No. 811.

Chase National Bank, New York, to Mr. Sherman.

CHASE NATIONAL BANK,
New York, January 16, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: In responding to your favor of the 13th instant, I beg to say that in discriminating on commissions in favor of a very few and against the many is a political mistake.

That the Treasury circular of the 1st instant does make such discriminations is quite apparent.

Prior to the 1st instant you gave one-quarter of one per cent. to all subscribers without respect to amount.

Now you give as follows: Nothing on an amount under $100,000; $\frac{1}{8}$ per cent. on an amount of $100,000 to $1,000,000; $\frac{1}{4}$ per cent. on an amount of $1,000,000 to $10,000,000; and an extra $\frac{1}{10}$ per cent. on any excess over ten millions.

This practically and effectually excludes all banks that will not undertake to carry out one million subscriptions in six months, commencing January 1; and the banks that work up one million in the six months are placed at a disadvantage, for the three or four banks who subscribe for the four per cents with a perfect abandon can and do give better terms by reason of the extra one-tenth which they reach out for, and which your revised scale of commissions gives them.

From your standpoint it is proper that you should exult over the enormous subscriptions obtained during the first two weeks after the resumption.

Pardon me for expecting that this apparent extraordinary success will in a few months be pronounced a misfortune.

My fifty years of observation in this financial bedlam justifies me in looking doubtingly on this overdoing, I fear, of a good thing.

Another point I desire to make: I decidedly dissent to the practice of leaving such enormous amounts of money in a few banks.

Your department of the government has a controlling power over the national banks, and no others can be depositaries of United States money.

It is true these deposits are amply, yes, doubly, secured; first, by bonds; and second, by a preferred claim on the banks' assets, a fact not generally understood.

As a matter of public interest, no bank should be intrusted with an amount of public funds so vastly disproportionate to its capital as is tolerated, and seemingly encouraged, in a few instances.

I am aware that some of the depositaries claim that their "surplus" is available as capital.

The bank department and you, as the supervisor of that department, should bear in mind that "surplus" can be divided among the stockholders, lawfully, without notice to depositors.

Capital is the only fixed security.

You will excuse me for taking an interest in the national banks as a whole rather than in less than half a dozen of them.

Hoping you will see propriety and justice in falling back on the popular scale of commissions adopted in your August appeal to the banks and the public,

I remain, very respectfully, yours, JOHN THOMPSON.

No. 812.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, January 16, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 14th instant on the subject of our refunding operations, and am glad to know that what we have done so far meets with your approval.

The outlook at first view is very satisfactory; but a closer scrutiny of what is going on suggests a doubt whether the very large subscriptions to the four per cents, $60,000,000 since January 1, as indicated by the calls, are based altogether on the investment demand. Should they prove to be largely in excess of it, some of the subscribing banks may be placed in an embarrassing position when settlement day comes, a difficulty which is to be avoided, if possible, as it might disturb the money market, create distrust, perhaps even lower the price of the bonds, and thus check refunding.

There is no way of demonstrating the truth or falsity of the surmise at this moment, but if the bonds covered by the recent subscriptions should not be taken up rapidly, but remain uncalled for, for an indefinite period, it would be presumptive evidence that to a greater or less degree it was true, and that some of the subscriptions at least were made for speculative purposes. In that case the Secretary will no doubt adopt such measures as he may deem best under the circumstances as they may arise hereafter.

Meanwhile, that the government may be kept secure in the delivery of bonds, we shall, unless otherwise instructed, accept only the collaterals mentioned in my letter of the 11th instant, and in addition we shall require a margin of five per cent. on United States notes, coin, and four per cent. bonds. In this connection permit me to call your attention to a suggestion made in my letter to the Treasurer, of the 15th instant, as to the propriety of dropping the four per cent. bonds from our list of collaterals altogether.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

The Hon. JOHN SHERMAN, *Secretary.*

No. 813.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *January* 16, 1879.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: Until further advised, you are authorized to pay in coin, or in United States notes as the claimant may prefer, any interest due on the public debt payable by law in coin; and department's circular instructions of December 14, 1878, concerning the resumption of specie payments, are hereby modified accordingly.

Similar instructions have this day been sent to the several sub-treasury offices.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 814.

Mr. Sherman to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *January* 16, 1879.

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: Referring to your letter of the 15th instant, concerning the payment of interest in coin at other cities than New York, I have to inform you that the several sub-treasury offices have this day been authorized, until further advised, to pay in coin, or in United States notes as the claimant may prefer, any interest due on the public debt payable by law in coin; and department's circular instructions of December 14, 1878, concerning the resumption of specie payments, are modified accordingly.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 814½.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK NEW YORK, *January* 16, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR:

* * * * * * *

We have this day made a cable offer to London, that looks as if it would come to business, for the sale under to-day's date of $5,000,000 of fours, to be delivered there free of expense, and other bonds to be received in their stead by the department, as we understood you some time since you were willing to do. In case the transaction is closed we will telegraph you on receipt of our reply.

* * * * * * *

Yours, truly, GEO. F. BAKER, *Pt.*

No. 815.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK NEW YORK, *January* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Referring to Mr. Baker's letter of yesterday, and to our telegrams of to-day, we submit for your consideration the following:

In November last Mr. Baker, in an interview at Washington, inquired as to the arrangements you would make for delivery of 4's in Europe and receiving payment there, and on the 15th November we wrote you a letter, to which you replied on 20th, that you would deliver in Europe in minimum amounts of $5,000,000.

When the writer was last in Washington, in the last week of December, you expressed to him a desire to renew the sales of 4's in Europe, at the earliest possible date, and he assured you that we would interest ourselves in promoting the sales abroad as soon as practicable.

For this reason, in the first week of January, we had an interview with Mr. Belmont and made him a proposition, which he cabled to Messrs.

Rothschild, inviting them to join us in a subscription for sale in Europe, which, after a few days' consideration, they declined, because of the unfavorable condition of the markets abroad.

Next we made a similar proposition to Messrs. Von Hoffmann and their London associates, Messrs. Raphael & Sons, stating to them as we had stated to Mr. Belmont, that you would deliver in London in minimum sums of $5,000,000, and inviting them to join us. Yesterday, as we wrote you, we had a cable dispatch in which they were almost prepared to close a subscription of $5,000,000, and this morning we received their dispatch reporting that they had sold $3,600,000, and agreed therefore to close a subscription for $5,000,000, upon the terms named.

With these facts before you, it will not be difficult for you to understand the embarrassing position in which we are placed by your dispatch saying that you cannot now make the deliveries, having closed an exclusive arrangement with others.

In our communication with Mr. Belmont, as well as with Messrs. Von Hoffmann, we were careful to state, and in both cases they cabled the fact, that the Secretary declined to make any exclusive arrangement for the sale of 4's abroad. For this reason we have not asked for any exclusive privileges, and we are at a loss to explain to our friends how they could be accorded to others.

Messrs. Raphael, having closed the transaction to-day, we are now under contract to deliver the bonds in London and receive payment there; and to this extent we feel sure that, under the circumstances, you will consent to carry out this transaction without any committals as to further business.

Respectfully, H. C. FAHNESTOCK, *V. P.*

We will thank you to telegraph your reply early to-morrow, as we are much embarrassed by the present position of the matter.

No. 816.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 17, 1879.

Hon. JOHN SHERMAN, *Sec'y of the Treasury, Washington:*

Our negotiation is based upon your letter to us of Nov. 20th, and conversation about same date, which seems to warrant us in undertaking the business. Our friends only await our confirmation to close. We have not asked for exclusive arrangement. GEO. F. BAKER,

President First National Bank.

No. 817.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *January* 17, 1879.

GEORGE F. BAKER, *Pres't First National Bank, New York:*

Cannot make the arrangement. See letter.

JOHN SHERMAN, *Secretary.*

No. 818.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January 17th*, 1879.

Hon. JOHN SHERMAN, *Sec'y of the Treasury, Washington:*

Awaiting reply to our last telegram. Have cable from London closing five-million sale, which we depend upon you to confirm.

GEO. F. BAKER, *Pres't First National Bank.*

No. 819.

Mr. Sherman to Messrs. Seligman & Co.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., January 17, 1879.

Messrs. J. & W. SELIGMAN & Co., *New York:*

GENTLEMEN: I have received your letter of the 16th instant, accepting the proposition submitted by me for the sale in Europe of four per cent. bonds.

I will be pleased to have the contract closed and signed here on Monday if practicable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 820.

Mr. Sherman to First National Bank, New York, N. Y.

TREASURY DEPARTMENT, *January* 17, 1879.

GEORGE F. BAKER, Esq.,
President First National Bank, New York, N. Y.:

SIR: I have to acknowledge the receipt of your letter of the 16th instant. Respecting the delay in forwarding registered four per cents ordered by your bank as long ago as January 1, and the appearance "on the street" of registered certificates dated as late as January 6, the Register of the Treasury reports that such certificates must have been issued from his office on "transfer," that branch of the work being more forward than the "original" and "exchange" issue.

The most earnest efforts have been made to keep pace with the public demands for the 4 per cent. bonds, and I think that I may safely assure you that the department will be able in the future to fill your orders with greater promptness.

Your suggestion of a sale of bonds to be delivered in London came too late, as on Wednesday last Mr. Seligman, on behalf of himself and associates, substantially agreed to my proposition, of which, when in New York, I spoke to you and others.

On that day I reduced it to writing, and it was then informally accepted, and it was formally accepted to-day, before your letter was received.

It contemplates the sale of $5,000,000 per month in London, on terms and conditions suggested by me when in New York.

While this is stated in response to your inquiry, I prefer that no mention be made of it until the agreement is formally signed.

As regards the proposed amendment of the funding act, I did not deem it expedient to ask an extension of the bill so as to cover the six per cent. bonds of 1881, for the reason that two sessions of Congress intervene before these bonds become redeemable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 821.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *January* 17, 1879.

Messrs. KUHN, LOEB & CO.,
31 Nassau Street, New York N. Y.:

GENTLEMEN: I have to acknowledge the receipt of your letter of the 16th instant, in which you inquire whether I would take into consideration an offer from you for fifty millions of the 4½ per cent. bonds at a price equal to the four per cents at 99.65 and accrued interest, and in reply thereto, I would say that I do not now deem it expedient to offer any 4½ per cent. bonds for sale.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 822.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *January* 17, 1879.

Messrs. KUHN, LOEB & CO., *New York, N. Y.:*

GENTLEMEN: Your letter of the 16th instant, asking whether, under the terms of the department's circular of January 1, 1879, a commission of $\frac{35}{100}$ per cent. will be allowed on the aggregate of subscriptions when amounting to ten millions or over, has been received, and in reply thereto you are informed that, as set forth in said circular, a commission of ¼ of 1 per cent. will be paid on subscriptions aggregating ten millions, and on subscriptions exceeding ten millions an additional commission of $\frac{1}{10}$ of 1 per cent. will be allowed on the excess.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 823.

Eighty-second call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

1879.
Department No. 15.
Secretary's Office.

TREASURY DEPARTMENT,
January 18, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the na-

tional debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 18th day of April, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 37001 to No. 46000, both inclusive.	
$100—No. 47001 to No. 60000, both inclusive.	
$500—No. 37001 to No. 46000, both inclusive.	
$1,000—No. 48001 to No. 60000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

'Redeemable at the pleasure of the United States after the 1*st day of July,* 1872," *as follows:*

$50—No. 1551 to No. 1925, both inclusive.	
$100—No. 11401 to No. 13850, both inclusive.	
$500—No. 6251 to No. 7250, both inclusive.	
$1,000—No. 23751 to No. 27750, both inclusive.	
$5,000—No. 7101 to No. 8150, both inclusive.	
$10,000—No. 9951 to No. 13250, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 824.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *January* 18, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

Cannot vary from agreement stated in letter yesterday. See Morgan at his house to-morrow. He will arrange with you.

JOHN SHERMAN, *Secretary.*

No. 825.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 18, 1879.

Hon. JOHN SHERMAN, *Secretary, Washington, D. C.:*

We must respectfully decline to confer with others, having no arrangement to make for future. All we want is free delivery of present actual transaction, which we made really for your account and we supposed under your authority. We must deliver them ourselves if you decline.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 826.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *January* 18, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

The very offer made in your letter of yesterday was made by Seligman Wednesday and was accepted. My letter of yesterday to you explains.

Why do not you send five millions subscribed under the general circular to London?

JOHN SHERMAN, *Secretary.*

No. 827.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK OF NEW YORK, *January* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of yesterday and telegrams of to-day. In reply to the former we have only to say that when you were last in New York, Mr. Baker and the writer both called upon you but had the misfortune not to meet you, so that we had no conversation with you about the sales in Europe which you say you mentioned to others.

My conversation with you upon the subject when last in Washington was very general, and, as stated yesterday, it resulted in diligent efforts on our part to inaugurate business abroad.

We have said to you by telegram that we must respectfully decline to confer with Mr. Morgan or others, as we have no interest in future business in Europe and we only ask you to make the delivery in London of bonds which we had the best reason to suppose we were selling for your account and in furtherance of your wishes, as we had received from you

no notice of any change of views upon your part. It is proper to say that we had no knowledge that other parties were negotiating with you for European sales.

Our offer (to the extent of $3,750,000, which is all we care about) represents bonds actually sold. It reached you before you had formally closed the contract you speak of, and we trust you will, upon consideration, see the justice of relieving us from the inconvenience and expense of making a delivery which you can make without loss to the Treasury and which will not interfere with new business which the contractors may undertake.

Yours, very truly, H. C. FAHNESTOCK, *V. P.*

No. 828.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 18, 1879.

Hon. JOHN SHERMAN, *Secretary, Washington, D. C.:*

We will then subscribe for five millions under terms your circular January first, you delivering them free in London and receiving there bonds and coupons in payment. Please confirm promptly, that we may cable to-day and carry out our engagement.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 829.

Messrs. Seligman & Co. to Mr. Sherman.

NEW YORK, *January* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We have your favor of the 17th advising us that you would be pleased to have the contract for the sale in Europe of the 4 per cent. consols signed on Monday next if practicable.

In reply we beg to say that one of our firm will wait upon you with our associates on Tuesday next, as we desire to give Messrs. Rothschild an opportunity of joining, whose answer could not be telegraphed before Monday, owing to their observing the seventh day of the week as their Sabbath.

We remain, sir, yours, very respectfully,

J. & W. SELIGMAN & CO.

No. 830.

Mr. Sherman to Continental National Bank, New York.

TREASURY DEPARTMENT, *January* 18, 1879.

FRED. TAYLOR, Esq.,
Cashier Continental National Bank, New York:

SIR: Your letter of the 17th instant stating that the negotiating of 4 per cent. bonds by your bank would be greatly facilitated if United States registered bonds of other issues, standing in names of various parties might be deposited with the assistant treasurer at New York (accompanied by the necessary papers giving this department control of the bonds), and forwarded by him for transfer to the name of your bank, and requesting that the desired authority be granted that officer, has been received.

In reply thereto I have to say that as the arrangement you propose would doubtless add to the labor and responsibility in the office of the assistant treasurer at New York, it is desirable that his views be obtained before the plan is adopted, and I suggest that you confer with him on the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 831.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 20, 1879.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

Nothing from you. The transaction in question having been closed and therefore not interfering with new sales by contractors, perhaps the simplest solution is for you to request contractors to take transaction off our hands on same terms you would have made for us. You can with propriety request this, while we cannot ask favors of them.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 832.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK
NATIONAL BANKING ASSOCIATION,
New York, January 20, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: Please give me your ruling on the following point:

Having put consols of '67 in the mail addressed to the register at 12 o'clock noon, would such bonds be subject to a call made the same day—Nos. of bonds called not being made public until 4 or 5 o'clock p. m.—or

would transfer be made of bonds so mailed in good faith previous to public announcement of the call?

Your answer will be duly appreciated by,

Yours respectfully, CHAS. M. FRY, *President.*

No. 833.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *January* 20, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

SIR: Your letter of the 18th in regard to the delivery of four per cent. bonds in London is received.

The question raised by you has embarrassed me somewhat, for, though in strict law, no contract existed between the United States and yourself that would require this department to pay the expenses of transporting the bonds to London, yet the expectation created by my letter to you of November 20th does present an equitable claim for such delivery, which I will willingly yield to, if it does not interfere with the execution of the contract for the sale of a considerable sum of bonds in Europe.

The Attorney-General, to whom I submitted all the papers, takes the same view of the case that I do.

While withholding a final decision upon the matter, I have but little doubt that the request contained in your letter of the 18th will be complied with, and the amount stated, $3,750,000, transmitted with the first installment of bonds sold to Messrs Seligman and associates.

Shall I treat your telegram of Saturday as a subscription of that date for $5,000,000, or for $3,750,000?

Answer by telegraph in the morning.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 834.

Mr. Sherman to Mr. Morrill.

TREASURY DEPARTMENT, *January* 20, 1879.

Hon. JUSTIN S. MORRILL,
Chairman Committee on Finance, United States Senate:

SIR: In response to your note of the 18th instant, I have the honor to advise you that, upon inquiry, I find that to give in detail all the information requested by Senator Saulsbury would require a large body of clerks for many days, a serious difficulty now, as we are very much pressed by the large subscriptions to the 4 per cent. bonds. To give some idea of the amount of work, there are over twenty thousand holders of the registered 4 per cent. loan. The labor of preparing this list alone is very great. The books must be constantly used in the new subscriptions, and the same books would necessarily have to be used in preparing an answer to the resolution, thus interfering with the current business.

As very much of this information has already been furnished to Congress, as will appear from the inclosed documents, I presume it will not be desired that it be repeated in manuscript, and I suggest that instead of this, a simple reference be made to the document, and perhaps Senator Saulsbury will consent to this. I have also some doubt whether it is just and fair that our subscriptions under the loans for refunding, being in a multitude of cases for small sums, be stated to the public; but that is a question for the Senate to determine. I would suggest that the names of the subscribers be not communicated, but only the terms and conditions upon which the bonds were sold, the rate, and amount of commissions allowed.

Please return the within documents with your answer.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 835.

Mr. Sherman to Mr. Cook.

TREASURY DEPARTMENT, *January* 20, 1879.

Mr. E. G. COOK, *Chicago, Ill.:*

SIR: Your letter of the 15th instant in regard to the issue of silver dollars has been received and respectfully considered.

This department has in every way endeavored to enforce the silver law according to its plain purpose. Until the 1st of January there seemed to be no authority of law to exchange silver dollars for United States notes, and to force them upon the public creditors when the amount was limited would compel an unjust discrimination. Now every effort is being made to distribute them by sending them, free of expense, in such quantities as express companies will take, both for the payment of expenses and in exchange for United States notes. The preference for paper money is so strong that neither silver nor gold is demanded in place of it, and thus we have secured what has been so long desired—a fixed coin standard for all money—and at the same time the convenience of paper money in actual exchanges. I have every desire to promote the views expressed by you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 836.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 21, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

It is reported on the street that a syndicate is about being formed for the 4 per cents. Our subscriptions since January 1 are about seventeen millions. Should such a syndicate be formed, we would like to be interested. CHAS. M. FRY,

President of the Bank of New York National Banking Association.

No. 837.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK
NATIONAL BANKING ASSOCIATION,
New York, January 21, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: I beg to confirm my dispatch of this afternoon, that it was reported on the street that a syndicate was about to be formed to take the 4 per cent. bonds, and as we had subscribed for nearly $17,000,000 since January 1, we would like to have an interest in such a syndicate if one was formed.

Should a syndicate be formed, we feel that we are certainly entitled (considering what we have done) to be part of it. We have taken in all about $25,000,000 since we were made a designated depository. Feeling sure that you will do justice in this matter, we, of course, must leave it in your hands.

I will venture to say a few words to you again upon the subject of the payment of duties. The matter has been discussed by a number of bank presidents and importers, and the conclusion arrived at is that the best mode of arranging the matter will be to allow the importers to pay the duty in checks drawn on any bank in the clearing-house, that check to be made payable to the collector for duties only. The check then to be presented to the bank for certification by the importer, and when certified it is absolutely safe. By this plan the importer is relieved of the risk of handling the actual money, and there can be no risk to the government, as the goods are held by the government; also it holds the bond of the importer with the guarantee or indorser. Unless some such plan as this can be adopted the importers must continue to pay duties as heretofore, as the banks would not undertake the expense and labor of keeping an account with the sub-treasury for the payment of duties. Hoping that you will give this matter your favorable consideration, I remain, with much respect,

Your obedient servant, CHAS. M. FRY, *President.*

No. 838.

Mr. Ewing to Mr. Sherman.

HOUSE OF REPRESENTATIVES,
Washington, D. C., January 21, 1879.

DEAR SIR: I ask to be informed of the amounts and dates of the several sales of bonds under authority of the act of July 14, 1875, and the rates of interest on bonds so sold.

Very truly, yours, THOMAS EWING.

Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 839.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *January* 21, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: I have to acknowledge the receipt of your letter of the 18th instant, and to inform you in reply that I will deliver to you in London, free of cost, $3,600,000 four per cent. bonds as part of your subscription of yesterday's date.

The residue of your $5,000,000 subscription of that date will, at your option, be delivered to you as usual.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 840.

Contract of January 21, 1879.

This agreement entered into this twenty-first day of January, one thousand eight hundred and seventy-nine, between the Secretary of the Treasury of the United States, of the first part, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., London, and themselves; Messrs. J. & W. Seligman & Co., of New York, on behalf of Messrs. Seligman Brothers, of London, and themselves; and Messrs. Morton, Bliss & Co., of New York, on behalf of Messrs. Morton, Rose & Co., of London, and themselves—

Witnesseth: That the parties of the second part hereby severally subscribe as of this date for ten million dollars of the bonds known as the four per centum consols of the United States, issued under the acts of July 14, 1870, and January 20, 1871, and acts amendatory thereto, in the following proportions, to wit, one-fourth part by each of the said several parties; and it is agreed that if the parties of the second part shall not subscribe for $5,000,000 of said bonds each month, the party of the first part is authorized to forthwith terminate this contract; but the next subscription need not be made before April 1st, 1879, and all of said subscriptions shall be made on the terms and conditions following:

First. The proceeds of said bonds shall be applied, in compliance with said acts, to the refunding of the public debt. The party of the first part will, on receiving a subscription under this contract for not less than five million dollars, issue a call for the redemption of United States six per centum five-twenty bonds equal to or exceeding said sum.

Second. The parties of the second part agree to pay to the party of the first part, at the Treasury Department in Washington, within the running of such call, the amount of four per centum bonds subscribed for under this contract, at par and accrued interest to the date of subscription, in United States gold coin, United States matured coin coupons, coin certificates of deposit issued under the act of March 3, 1863, or United States six per centum five-twenty bonds called for redemption not later than the date of the subscription to which the payment applies.

Third. The parties of the second part shall receive a commission of one-

fourth of one per cent. on all bonds taken by them under this contract, and for such sums in excess of ten million dollars subscribed for and taken by said parties, they shall receive an additional commission of one-tenth of one per cent. on the amount in excess.

Fourth. The Secretary of the Treasury shall transmit to London, England, at the risk and expense of the United States, the bonds subscribed for, and will receive in London, for transportation to the Treasury Department at Washington, any of the coupons or called bonds receivable under this contract, the amount thereof to be credited upon verification by the Treasurer of the United States; and he further agrees to maintain an agency in London, at the expense of the United States, for the convenience of making deliveries to said parties of the second part of said four per centum bonds; provided that no bonds shall be delivered to the parties of the second part until payment shall have been made in full therefor in accordance with the terms of this contract; and provided further, that the said parties of the second part shall provide for said agency, without expense to the United States, a suitable office room or rooms, with vault accommodation for the safe-keeping of its securities.

Fifth. It is agreed between the parties that this contract shall remain in force unless previously terminated, as above provided, until the thirtieth day of June, eighteen hundred and seventy-nine, and that during its continuance and full performance by the parties of the second part the Secretary of the Treasury shall not sell and deliver in Europe to other parties any of the said four per centum bonds, but this shall not be held to preclude the delivery by the Secretary of the Treasury in Europe of three million six hundred thousand dollars of said four per centum bonds already subscribed for by other parties, and said sum shall be considered as a part of the first subscription made under this contract, but no commission on said sum shall be allowed to the parties hereto.

JOHN SHERMAN, *Secretary.*
AUGUST BELMONT & CO.,
On behalf of Messrs. N. M. ROTHSCHILD & SONS,
And associates and themselves.
DREXEL, MORGAN & CO.,
On behalf of Messrs. J. S. MORGAN & Co.,
Of London, and themselves.
J. & W. SELIGMAN & CO.,
On behalf of Messrs. SELIGMAN & BROS.,
London, and themselves.
MORTON, BLISS & CO.,
On behalf of Messrs. MORTON, ROSE & Co.,
Of London, and themselves.

No. 841.

Eighty-third call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

1879.
Department No. 17.
Secretary's Office.

TREASURY DEPARTMENT,
January 21, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national

debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 21st day of April, 1879, and that the interest on said bonds will cease on that day

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 46001 to No. 55000, both inclusive.	
$100—No. 60001 to No. 70000, both inclusive.	
$500—No. 46001 to No. 55000, both inclusive.	
$1,000—No. 60001 to No. 73000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1*st day of July,* 1872," *as follows:*

$50—No. 1926 to No. 2270, both inclusive.	
$100—No. 13851 to No. 16400, both inclusive.	
$500—No. 7251 to No. 9300, both inclusive.	
$1,000—No. 27751 to No. 31900, both inclusive.	
$5,000—No. 8151 to No. 8300, both inclusive.	
$10,000—No. 13251 to No. 15400, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 842.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *January* 21, 1879.

MESSRS. KUHN, LOEB & CO.,
31 *Nassau street, New York City:*

GENTLEMEN: I have to acknowledge the receipt of your letter of the 17th instant, in which you make the request that the assistant treasurer of the United States at New York be instructed to redeem United States called bonds on presentation at his office, stating your belief that the adoption of that course would be the means of preventing serious embarrassment in the money market during the coming ninety days, and in reply thereto I would say that the redemption of called bonds by the assistant treasurer at New York was resorted to as a temporary expedient, which, although attended with serious inconvenience, served its purpose.

The order to discontinue such redemptions was issued only after careful consideration, and I do not now deem it advisable to renew them.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 843.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *January* 21, 1879.

CHARLES M. FRY,
President Bank of New York National Banking Association:

SIR: I have to acknowledge the receipt of your letter of the 20th instant, asking whether registered bonds, consols of 1867, put in the mail addressed to the Register of the Treasury, at 12 o'clock noon, would be subject, to a call made on the same day, but at a later hour, and in reply I would state that registered certificates forwarded for transfer and actually received at the department before the call is issued will be transferred, whether they are embraced in the call made on the date of their receipt or not, but bonds forwarded on the day of the issue of the call will, if their numbers are embraced in said call, be treated the same as other called bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 844.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *January* 22, 1879.

CHARLES M. FRY, Esq.,
President Bank of New York
National Banking Association, New York:

SIR: Your telegram was received yesterday.

The syndicate arrangement was confined to the sale of bonds in Europe, where it is deemed important to sell bonds partly to cover called bonds held abroad; and a contract has been made with bankers having houses in London, on precisely the same terms as are extended to all in this country. It was thought that this would be best for the domestic loan. No contract or arrangement will be made to interfere in any way with the free, open, popular subscriptions in the United States.

I am glad to notice your success and will give you every facility that is extended to any one else.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 845.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *January* 22, 1879.

Hon. CHAS. F. CONANT:

SIR: By virtue of the authority vested in me by the provisions of an act entitled "An act to authorize the refunding of the national debt,"

approved July 14, 1870, and the acts amendatory thereof, you are hereby appointed the funding agent of the Treasury Department, and directed to assume the general management and supervision of all business in London, England, arising from the funding of bonds under the acts above cited.

By the terms of the contract made on the 21st day of January, 1879, between the Secretary of the Treasury of the first part, and Messrs. August Belmont & Co., of New York, on behalf of N. M. Rothschild & Sons, of London, England, and associates and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., of London, and themselves; Messrs. J. & W. Seligman & Co., of New York, on behalf of Messrs. Seligman Bros., of London, and themselves; Messrs. Morton, Bliss & Co., of New York, on behalf of Messrs. Morton, Rose & Co., of London, and themselves, of the second part, such of the bonds known as the four per centum consols of the United States, issued under the acts of July 14, 1870, and January 20, 1871, and acts amendatory thereto, as may be desired, by the contracting parties, will be sent to London, and delivered to your custody, and will be by you delivered to the contracting parties from time to time and in such sums as they shall make payment to you therefor in United States matured coin coupons, coin certificates of deposit issued under the act March 3, 1863, or United States six per centum five-twenty bonds called for redemption not later than the date of the subscription to which the payment applies.

The same general plan under which former negotiations were conducted will be observed by you, except so far as modified by these instructions, which are based upon the contract before mentioned.

All bonds, coupons, or certificates of deposit received by you must be kept in the vaults provided by the parties of the second part.

The three combination locks with which the safes are provided shall at all times be used, and the combination of only one lock on each safe shall be intrusted to one person. No safe or safes shall be locked or unlocked except by three persons and on distinct combinations, and each person shall use a combination unknown to the other.

All bonds, coupons, and certificates received by you in payment for bonds must be retained in your possession as above directed until the same shall be delivered to proper parties for transshipment to Washington, D. C.

All persons despatched to London by the department in custody of bonds to be delivered to you will be subject to your direction and control.

Your compensation will be at the rate of six thousand dollars ($6,000) per annum and necessary expenses.

All persons who may be sent to London, in connection with refunding operations, shall receive pay at the rates which will hereafter be given.

You will inform the Secretary frequently, from time to time, of the condition of the business intrusted to you, and will render a weekly statement showing an exact account of all bonds and securities in your possession.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 846.

Form of letter designating national banks as United States depositaries to receive deposits on account of subscriptions to 4 per cent. consols 1907.

TREASURY DEPARTMENT, 1879.

SIR: In compliance with the request contained in your letter of the 20th instant, and by virtue of the authority conferred upon me by section 5153, Revised Statutes of the United States, the ——— National Bank of ———, ———, is hereby designated a depositary of public moneys, to receive deposits on account of subscriptions to the 4 per cent. funded loan of the United States.

Under this designation your bank will be entitled to receive only deposits on account of subscriptions to the 4 per cent. consols of 1907.

The bonds subscribed for will be issued upon the receipt of a proper certificate from the bank stating that the amount has been deposited to the credit of the Treasurer of the United States, but they will be held by the department as security until other United States bonds of an equal amount are substituted in their stead, or the amount deposited has been paid upon Treasury drafts or transferred to a sub-treasury office.

Blank transcripts and certificates of deposit have been sent you this day.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 847.

The Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE,
Washington, January 23, 1879.

To the honorable JOHN SHERMAN, *Secretary of the Treasury:*

SIR: I have the honor to inclose herewith for your information a copy of a dispatch of the 1st instant, from the consul at Liverpool, suggesting that subscriptions to the four per cent. bonds of the United States might be received at his office with advantage.

I will thank you for any remarks upon the subject you may deem proper, to be communicated to the consul for his information.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

[Inclosure 1.—Mr. Packard to Mr. Seward, No. 27, January 1, 1879.]

No. 847 *a.*

UNITED STATES CONSULATE,
Liverpool, January 1, 1879.

Hon. F. W. SEWARD,
Assistant Secretary of State:

SIR: I have the honor, if approved by the State Department, to suggest that the services of this office are available in aid of the subscription to the four per cent. funded loan of the United States.

The very intimate trade relations existing between this section of the United Kingdom and our country, and the large amount of our securities already held here, lead me to believe that with proper advertising this office could secure quite an amount of subscriptions.

It would accommodate those holding called bonds who wish to exchange them for four per cents.

It would offer an opportunity to the holders of coupons to exchange them for bonds. The coupons are generally sold here to brokers at a discount.

The class having small savings might be inclined to invest them in our four per cents if the subject were brought to their attention as offering better security than the banks, at least during the present panicky feeling, and as paying larger interest than the securities generally pay here.

The consul of the United States of America being the representative of the government and offering to receive subscriptions for United States bonds would attract and secure, it is believed, a large number to invest from those who have savings; and from the confidential business relations borne to those having transactions with the consulate, the merchant classes would prefer it to dealing with the banks or the brokers offering these bonds for sale, as at present.

The London agents of the government will answer for a convenient transfer of the bonds issued for the funds subscribed in payment therefor.

The experiment will only involve a small expense for advertising in such channels as would reach the classes that are believed will respond with subscriptions. The subject is respectfully submitted for your consideration.

I have the honor to be, sir, with great respect, your obedient servant,

S. B. PACKARD, *United States Consul.*

No. 848.

Mr. Sherman to First National Bank, Berwick, Pa.

TREASURY DEPARTMENT, *January* 23, 1879.

CASHIER FIRST NATIONAL BANK, *Berwick, Pa.:*

SIR: Your letter of the 21st instant, asking if you subscribe for from $20,000 to $30,000 four per cent. bonds, your bank would be designated a depositary, and the money remain on deposit for ninety days, has been received.

In reply, I have to inform you that if you desire it, and will so inform this office, your bank will be designated as a United States depositary to receive deposits on account of subscriptions to the four per cent. loan of the United States, and the necessary blank transcripts and certificates sent you without delay. As to the length of time the money would remain on deposit in your bank, you are informed that while there is little doubt that money received by depositary banks on account of subscriptions to the four per cent. consols of 1907 will be allowed to remain on deposit for the ninety days required by law for the maturity of a call for 5-20 bonds, still it must be understood that the department reserves the right without qualification or condition to draw the same at any time.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 849.

Mr. Sherman to Mr. Brewer.

TREASURY DEPARTMENT, *January* 23, 1879.

Hon. MARK S. BREWER, *House of Representatives:*

SIR: In response to your verbal inquiry, I have the honor to return herewith the bill (H. R. 5429) left with me by you, with a copy of a letter from the Treasurer of the United States suggesting certain amendments embraced in a re-draft of the bill, also inclosed.

There is at present but little inconvenience growing out of the accumulation of fractional coin, and this is confined to two or three cities in the Eastern States.

There is in the Treasury about $6,000,000 fractional coin for distribution, which is gradually being absorbed by current demands.

I do not think there is any pressing necessity for the passage of this bill, for until the coin on hand is exhausted the demand can be readily supplied, and the accumulation in a few cities when sold is measured by a very small depreciation. Still, if, in the judgment of the committee, the bill ought to pass, I recommend the substitute proposed by the Treasurer.

Very respectfully, JOHN SHERMAN, *Secretary.*

[Inclosure to letter dated January 23, 1879, from Mr. Sherman to Mr. Brewer.]

TREASURY OF THE UNITED STATES,
Washington, January 22, 1879.

SIR: In accordance with your verbal request of yesterday, I have the honor to return herewith bill of the House of Representatives (H. R. 5429) "authorizing and requiring the Treasurer of the United States to receive the coin of the United States in exchange for United States notes," with the following suggestions:

1st. In line 6, in lieu of "shall have been declared," insert the word "are," so that it shall read, "to the extent and amount that such coins are a legal tender"; otherwise the trade dollars would, under the provisions of this bill, be redeemable in United States notes.

2d. At the end of line 7 leave out the word "the," and insert in lieu thereof the words "an equal amount in."

3d. Provision should be made for the recoinage of any silver coins received under this act, which by reason of abrasion shall be unfitted for circulation, and for the payment of loss in such recoinage from the silver profit fund.

4th. In lines 8 and 9 all after the words "United States notes" should be left out, or a proviso inserted that the act should not be construed to increase the outstanding United States notes, as, under the bill as it reads, the notes in the reserve of this office which are not included in the outstanding notes in circulation could be paid out in redemption of any coins of the United States.

5th. It would be well to provide that whenever any coins accumulate in the Treasury in such quantity as to show the amount outstanding to be redundant, the Secretary of the Treasury is authorized and required to direct that such coinage shall cease until otherwise ordered by him.

6th. That the exchange provided for in this act should be under such rules as shall be prescribed by the Secretary of the Treasury.

I have the honor to submit herewith draught of the bill modified in accordance with the above suggestions.

Very respectfully, your obedient servant,

JAS. GILFILLAN,
Treasurer of the United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

[Inclosure to letter dated January 23, 1879, from Mr. Sherman to Mr. Brewer.]

[H. R. 5429, Forty-fifth Congress, third session.]

In the House of Representatives, December 9, 1878, read twice, referred to the Committee on Coinage, Weights, and Measures, and ordered to be printed.

Mr. Burchard, on leave, introduced the following bill:

A BILL authorizing and requiring the Treasurer of the United States to receive the coins of the United States in exchange for United States notes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That upon presentation and delivery of any coins of the United States to the Treasurer of the United States at the Treasury at Washington, the Treasurer shall, to the extent and amount that such coins shall have been declared by law a legal tender, pay out and deliver in exchange therefor the United States notes in the Treasury in his possession and belonging to the United States.

No. 850.

Resolution of the Senate of the United States.

IN THE SENATE OF THE UNITED STATES,
January 24, 1879.

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate of the amount of commissions or other compensation paid to bankers, brokers, firms, companies, syndicates, and individuals for services in negotiating the sale of bonds and other obligations of the United States, from the year 1862 until the present time; when and to whom such commissions or compensation was paid; and when paid to syndicates, firms, corporations, or companies, to state the names of the persons composing the same.

And, also, to inform the Senate whether any, and, if any, what, amount of commissions or other compensation has been paid to bankers, brokers, firms, companies, syndicates, and individuals for services rendered in refunding any of the bonds of the United States; and if any such payments have been made, to state when and to whom made; and, also, whether interest has been paid on called bonds at the same time that interest was accruing on the bonds sold to redeem the same, and whether such double interest has been uniformly paid while the refunding operation has been in progress, or on bonds sold for redemption purposes, specifying whether there has been any exception to such payments of double interest, and who was Secretary of the Treasury at the time of such exception, and how much double interest has been paid on each class of bonds, and the total amount thereof, and whether the money received for bonds sold by any bank or syndicate has, in all cases, been

allowed to remain on deposit with the national banks acting as government depositories pending the call of bonds, specifying the names of the banks and the length of time during which the proceeds of the bonds sold have been left on deposit with each bank; and whether at any time any gold coin has been delivered by the Treasury to any parties concerned in the negotiation of United States bonds or otherwise in exchange for or upon the security of United States bonds or in advance of the payment thereof, pending any call of bonds on which interest was allowed or paid up to the date of maturity of the call; and, also, whether any money in the Treasury held for the payment of overdue called bonds has been left on deposit, without interest, in any government depository, and what was the largest amount thereof at any one time, stating the names of the banks in which such money was deposited, and what security the Treasury held for the payment thereof when demanded:

Provided, That information heretofore communicated to either House of Congress shall not be repeated, but references to the documents where the same is to be found shall be made, and names of subscribers to popular loans since June, 1877, to whom no commissions have been paid or allowed, may be omitted.

Attest: GEO. C. GORHAM, *Secretary.*

[Mem.: This resolution was answered March 26, 1879. See Ex. Doc. No. 9, 1st Sess. 46th Congress.]

No. 851.

Eighty-fourth call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

1879.
Department No. 18.
Secretary's Office.

TREASURY DEPARTMENT,
January 24, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 24th day of April, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 55001 to No. 64000, both inclusive.	
$100—No. 70001 to No. 85000, both inclusive.	
$500—No. 55001 to No. 62000, both inclusive.	
$1,000—No. 73001 to No. 86000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 2271 to No. 2550, both inclusive.	
$100—No. 16401 to No. 18500, both inclusive.	
$500—No. 9301 to No. 9350, both inclusive.	
$1,000—No. 31901 to No. 35300, both inclusive.	
$5,000—No. 8301 to No. 10150, both inclusive.	
$10,000—No. 15401 to No. 17000, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 852.

Mr. Sherman to Mr. Ewing.

TREASURY DEPARTMENT, *January* 24, 1879.

Hon. THOMAS EWING, *House of Representatives:*

SIR: I have the honor to acknowledge the receipt of your letter of the 21st instant, in which you ask that you be furnished with a statement setting forth the amount and dates of the sales of bonds under the authority of the act of January 14, 1875, and the rate of interest on the bonds thus sold, and in reply thereto I submit the information desired, as follows:

Funded loan of 1881, *at* 5 *per cent.*

Amount disposed of by the department at various times between February 1, 1875, and August 16, 1876, $17,494,150, the proceeds of which were applied to the purchase of silver bullion for the coinage of fractional coins to be used in the redemption of fractional currency.

The amount of bonds issued under authority of said act in preparation for the resumption of specie payments January 1, 1879, is as follows:

Funded loan of 1891, *at* 4½ *per cent.*

Amount disposed of in May, 1877	$15,000,000
Amount disposed of in April, 1878	50,000,000

Funded loan, consols of 1907, 4 *per cent.*

Amount disposed of in June, 1877	25,000,000
Amount disposed of in June, 1878, to reimburse amount of Halifax award	5,500,000
Total	95,500,000

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 853.

To holders of United States six per cent. 5-20 bonds.

1879.
Department No. 20.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., January 25, 1879.

The attention of holders of United States five-twenty bonds is called to the provisions of the act approved this day, entitled "An act to facilitate the refunding of the national debt," as follows:

That the Secretary of the Treasury is hereby authorized, in the process of refunding the national debt under existing laws, to exchange directly, at par, the bonds of the United States bearing interest at four per centum per annum, authorized by law,

for the bonds of the United States commonly known as five-twenties, outstanding and uncalled; and whenever all such five-twenty bonds shall have been redeemed, the provisions of this section and all existing provisions of law authorizing the refunding of the national debt shall apply to any bonds of the United States bearing interest at five per centum per annum or a higher rate, which may be redeemable. In any exchange made under the provisions of this section, interest may be allowed, on the bonds redeemed, for a period of three months.

Under the provisions of this act the department will exchange the four per centum consols of the United States for an equal amount of any outstanding and uncalled six per centum five-twenty bonds of the United States.

In addition, the department will pay to the holder of the six per centum bonds the interest accrued and additional interest for a period of three months; also, a commission the same as for the sale of bonds under the circular of January 1, 1879, to wit: On an aggregate of $100,000 and not exceeding $1,000,000, between January 25, 1879, and June 30, 1879, one-eighth of one per cent.; on an aggregate exceeding $1,000,000 and not exceeding $10,000,000, between the same dates, one-quarter of one per cent., and on amounts in excess of $10,000,000, an additional commission of one-tenth of one per cent. on the excess; and will transmit the bonds to the person entitled thereto free of expense. The accrued interest on the four per cents will be charged to the date of the exchange.

Bonds sent under this circular should be addressed to the "Secretary of the Treasury, Washington, D. C.," marked "Loan Division—for exchange," and four per cent. bonds, with a draft for the interest and commissions, will be sent promptly in return.

This direct exchange is intended to promote the rapid refunding of the public debt, and to give to the holders of bonds every facility that is granted under existing laws in the payment of called bonds.

Bonds called on or prior to the date of exchange will not be received under this circular. JOHN SHERMAN, *Secretary.*

No. 854.

Mr. Fahnestock to Mr. Sherman.

FIRST NATIONAL BANK, NEW YORK,
January 25, 1879.

MY DEAR SIR: Perhaps I did not make clear enough my recent suggestion about so enlarging the present funding power that you can, after the '67s and '68s are disposed of, reach the 6s of '81, which, I take it, you could not now take up with 4s if an exchange were offered to you.

You have nearly 300,000,000 6s maturing in '81, with no certainty that you can then sell 4s to meet them. It is not fair to assume that money will always be so cheap as it now is. Reviving business will make funding go slower. I think that with authority to embrace 6s, '81, in your present powers, so that you could charge interest on 4s (at 4 per cent.), to maturity of the 6s, and credit interest on the latter (at 6 per cent.) three months longer, you could get in the '81s by negotiation, because the holders would have no inducement to retain them, as you give them all they would get by holding, and the anticipation of their interest would be an inducement to surrender now.

The longest 6s, '81, have nearly 2½ years to run; you would pay difference between 4 and 6 for 2½ years	5 per cent.
And, if needful, three months' interest longer on 6s	1½ per cent.
	6½ per cent.

The 6s are now selling in the market at, say, 106¾, which includes interest from January 1.

The only disadvantage to the government would be the outlay of interest in advance; but this is greatly overbalanced by the retirement of an obligation due in '81, while you can comfortably provide for it. It is much better than to pay 5s which are not due until 1904, although redeemable now. Congress would readily give you this power.

Yours, truly, H. C. FAHNESTOCK.

Hon. JOHN SHERMAN, &c.

No. 855.

W. T. Hatch & Sons to Mr. Sherman.

34 WALL STREET, NEW YORK, *January* 27, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Under date of the 24th we forwarded to the Register of the Treasury, $39,000 United States registered stock, loan of 1867, consols (which we had taken in exchange for new 4s), viz:

Nos. 16795–97 (3), $10,000 each	$30,000
No. 8402 (1)	5,000
Nos. 34936–39 (4), $1,000 each	4,000

At the time our letter was mailed, no advices had been received of the eighty-fourth call, which includes these numbers, and therefore we assumed that these bonds, being actually *in transitu*, would be transferred, as we know by our own experience and that of our neighbors, has been the uniform custom of the Treasury Department. And yet we received this morning a letter dated January 25th acknowledging receipt and promising to issue as per assignment, and forward new certificates as requested as soon as practicable—adding, however, "these bonds have been called and will be returned to you by the Secretary of the Treasury."

Unless this was written under some misapprehension, we submit that the decision should be reconsidered. We would not for a moment question the right—in fact, the duty—of the Treasury to make its own rules, but think that you will admit that when a rule has been established by custom it should not be changed without some notice, in order to protect from loss those who are acting in good faith and facilitating the very desirable reduction of the rate of interest from 6 per cent. to 4 per cent., and that for a very small brokerage. The change of this rule without our knowledge, if not reconsidered, actually puts a loss upon us.

Of course, in the future, we can and should conform to this new rule, or any other duly announced, but hope that you will see the justice of our request to have the transfer of this $39,000 made, as has been done heretofore under the same circumstances.

Very respectfully, W. T. HATCH & SONS.

No. 856.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *January* 27, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 25th instant is received.

I still think that we are not prepared to assume a present burden of fifteen to eighteen million of dollars to redeem bonds not due for nearly three years, and that we had better go on refunding as heretofore.

The pension bill, though no doubt much exaggerated, will, probably, exhaust our surplus revenue for a year or two, though its operations will be slow, and it is likely that authority to sell bonds for the purpose of payment will be given.

Refunding goes on more rapidly than I wish, as I am afraid there will be a clog by the 1st of April, when calls begin to mature.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 857.

Eighty-fifth call.—Redemption of 5-20 bonds of 1865.—Consols of 1867.

1879.
Department No. 21.
Secretary's Office.

TREASURY DEPARTMENT,
January 28, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 28th day of April, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867, *namely:*

$50—No. 64001 to No. 70000, both inclusive.	
$100—No. 85001 to No. 100000, both inclusive.	
$500—No. 62001 to No. 69000, both inclusive.	
$1,000—No. 86001 to No. 100000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872," as follows:

$50—No. 2551 to No. 2800, both inclusive.	
$100—No. 18501 to No. 20300, both inclusive.	
$500—No. 9351 to No. 9900, both inclusive.	
$1,000—No. 35301 to No. 38200, both inclusive.	
$5,000—No. 10151 to No. 10800, both inclusive.	
$10,000—No. 17001 to No. 18450, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption, should be addressed

to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 858.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *January* 28, 1879.

Messrs. AUGUST BELMONT & CO., *New York City:*

GENTLEMEN: It will be noticed that under the present contract between yourselves and associates and the department (of the 21st instant) the expenses of maintaining the agency at London are to be paid by the department.

I have designated Charles F. Conant, the former agent, to take charge of the agency and to pay all the expenses connected therewith. As the department has no disbursing office in London, I have to ask that you and your associates advance to him such sums of money as he may need for the purpose, the amount to be allowed you in the adjustment of your accounts under the contract. The matter was mentioned to your associates at the time the contract was made, and they saw no objection to this plan of paying the expenses, and it will be a great convenience to the department.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 859.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *January* 28, 1879.

Hon. CHAS. F. CONANT:

SIR: In connection with my letter of the 22d instant appointing you to take charge of the agency in London, for refunding purposes, I have to inform you that Mr. Isaac N. Martin and Mr. William W. Uttz, of this department, have been designated to assist you.

You will designate one of the gentlemen above named to assume full charge and responsibility for the transaction of the business intrusted to you and the safe keeping of the securities in your custody during your absence on account of sickness or any other cause, and advise me of your action.

I have asked Mr. Belmont and associates to advance you the necessary funds for the payment of all expenses connected with the agency, the amount to be allowed in final settlement with the department under their present contract.

You will pay the salaries and expenses connected with the agency upon vouchers as far as practicable, keeping an account thereof and transmitting to me a statement of the amount at the close of each month for my information.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 860.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *January* 28, 1879.

Hon. JOHN SHERMAN, *Secretary, Washington:*

Can you send for us, upon previous payment here, one or two millions coupon fours to London, together with the other bonds you are sending there, and to be delivered to our correspondents there? Please reply.

KUHN, LOEB & CO.

No. 861.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

[Telegram.]

TREASURY DEPARTMENT, *January* 28, 1879.

KUHN, LOEB & CO., *New York:*

Can deliver you fours in New York, but cannot in London during continuance of contract with Rothschilds and others.

JOHN SHERMAN, *Secretary.*

No. 862.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF U. S. ASSISTANT TREASURER,
New York, January 28, 1879.

SIR: I inclose herewith a statement, showing the condition of the collaterals deposited in this office at the close of business on the 22d instant in connection with the 4 per cent. loan. It embodies the results of a careful count and examination made by a committee appointed by me for that purpose.

It will be seen that the aggregate amount held for each of the depositing banks agrees with the amount reported in our daily report for that day, except in the case of the Hanover Bank, where the statement shows an excess of $500, and in that of the Bank of the State of New York, where it shows an excess of $10,000.

The first item ($500) is due to an error of Mr. White in making up our daily report for the 22d instant, the surplus of the Hanover Bank being there stated $500 less than it was ascertained to be by actual count.

The $10,000 item was found in a package marked $50,000, but really containing $60,000. It no doubt belongs to the bank depositing the package, and will be returned or accounted for.

The surplus (which represents the 5 per cent. margin required on coin, United States notes, and 4 per cent. bonds) is entered separately in the daily reports, but in the statement it is included under the heads of United States notes or coin.

As to differences in the classification, all 4 per cent. bonds held as collateral are included in the daily reports, under the head "United States bonds," whilst in the statement they are included under the head "four per cents," that is, added to the 4 per cent. bonds undelivered.

With these explanations, I trust the statement will be readily understood, and I will only add in this connection that the department has the means of testing the accuracy of both our daily and special reports as to amounts by a comparison of them with its own records for the corresponding dates, since the collaterals reported to be on deposit here added to the 4 per cent. bonds not delivered should equal the total amount of the 4 per cent. bonds with which we are charged.

It is, perhaps, unnecessary to repeat that the measure of refunding has very much increased the labor and responsibility at this office, and if the business continues to expand in the future it must soon assume proportions that may make it expedient to change the present arrangement for the care and management of the securities. As stated in previous correspondence, it has so far fallen on Mr. White, and the manner in which he has performed this duty reflects the highest credit on his accuracy, promptness, and fidelity, but there is a limit to what even a man of his capability can accomplish with due regard to other matters claiming his attention, and if the Secretary should decide in the contingency mentioned to place the securities in charge of one or more Treasury officers detailed for that purpose I should not regret it.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer, United States.

Hon. JOHN SHERMAN, *Secretary.*

Statement of collaterals held by the assistant treasurer of the United States at New York, on account of subscriptions to the 4 per cent. loan, at the close of business, January 22, 1879.

Banks.	Bonds.					Coin and United States notes.	Total.
	Called.	6 per cent.	5 per cent.	4½ per ct.	4 per cent.		
First National Bank of New York	$7,971,600	$5,893,000	$4,636,000	$1,260,000	$997,200	$3,382,000	$24,139,800
National Bank of the State of New York	832,000	4,817,000	1,775,000	1,319,000	3,106,500	20,500	11,870,000
Bank of New York, N. B. A	71,000	1,460,000	1,556,000	1,010,500	5,475,000	315,000	9,887,500
Continental National Bank	1,006,500	2,580,500	1,515,000	380,000	400,000	157,500	6,039,500
Hanover National Bank	952,000	1,054,000	649,500	2,040,000	529,550	540,000	5,765,050
National Bank of Commerce	607,000	618,000	1,794,000	375,000	175,000	519,250	4,088,250
Second National Bank, New York	370,500	528,000	322,500	79,000	200,000	.....	1,500,000
Chase National Bank, New York	34,000	190,000	96,000	320,000	.....	136,500	776,500
First National Bank, Providence, R. I.	.....	.....	150,000	.....	.....	.....	150,000
Total	11,844,600	17,140,500	12,494,000	6,783,500	10,883,250	5,060,750	64,216,600

WILLIAM SHERER,
E. W. HALE,
Examining Committee.

No. 863.

Mr. Sherman to Mr. Young.

TREASURY DEPARTMENT, *January* 28, 1879.

Hon. CASEY YOUNG, *House of Representatives:*

SIR: Your letter of the 26th instant, asking my opinion as to the best investment to be temporarily made of a portion of the charity fund sent to Memphis during the recent prevalence of the yellow fever, is received.

The only United States bond that is now attainable at par is the four [per] cent. bond, which is no doubt the safest investment, but with small interest, that can be made. Bonds bearing a higher rate of interest can only be purchased at a premium, and therefore I should advise you to make the investment in fours.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 864.

Mr. Sherman to the Secretary of State.

TREASURY DEPARTMENT, *January* 29, 1879.

Hon. WILLIAM M. EVARTS, *Secretary of State:*

SIR: I have the honor to acknowledge the receipt of your letter of the 23d instant, covering copy of a communication from the United States consul at Liverpool of the date of January 1, in which he offers the services of his office to aid in subscriptions to the four per cent. loan.

In reply, I have to say that it was deemed advisable to negotiate these bonds in Europe through the agency of prominent bankers of London, who are now acting under a contract with the government for that purpose.

No doubt it would have been possible to have sold many bonds through the consular officers, but, by reason of necessity for prompt sales in Europe to meet called bonds held there, it was thought not advisable to offer these bonds in a different mode and through different agencies than previous loans abroad.

I appreciate the interest taken by the consul at Liverpool in the matter, and if the parties to the present contract fail to make sales as anticipated, it will then be advisable to offer the bonds in the English market in the manner he proposes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 865.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *January* 31, 1879.

Hon. CHARLES F. CONANT,
In Charge of Agency for Refunding the Public Debt,
London, England:

SIR: I have to advise you that I have shipped this day per steamship Britannic, in the custody of yourself and I. N. Martin and W. W. Uttz, of this department, three safes, containing United States coupon and

registered bonds of the 4 per cent. consols of 1907, amounting to $12,865,000, described as follows:

Coupon bonds.

Nos.	43201 to 43700,	500	50s	$25,000
Nos.	120701 to 121200,	500	100s	50,000
Nos.	31701 to 32700,	1,000	500s	500,000
Nos.	66576 to 76000,	9,425	1,000s	9,425,000
	Total coupon bonds			10,000,000

Registered bonds.

Nos.	3101 to 3200,	100	50s	$5,000
Nos.	12501 to 12600,	100	100s	10,000
Nos.	7801 to 7900,	100	500s	50,000
Nos.	15101 to 15400,	300	1,000s	300,000
Nos.	3201 to 3300,	100	5,000s	500,000
Nos.	5001 to 5200,	200	10,000s	2,000,000
	Total of registered bonds			2,865,000

Of the above, you will deliver to Messrs. R. Raphael & Sons, of London, coupon bonds Nos. 66576 to 70175, for $1,000 each, amounting to $3,600,000, on account of a subscription made by the First National Bank of New York, January 17, 1879, receiving in payment therefor United States matured called bonds, or United States matured coin coupons, and the securities received on account of said delivery you will please forward to the department with the least possible delay, after having scheduled and canceled them.

The remainder of the bonds transmitted to you may be delivered to the Messrs. Rothschild & Sons, as required by them, upon payment being made in full therefor, as provided in the contract dated January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 866.

Continental National Bank, New York, to Mr. Sherman.

CONTINENTAL NATIONAL BANK,
New York, January 31, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: When I had the honor of waiting upon you in Washington, there was one point upon which I had intended learning your pleasure, but omitted to do so, viz, whether subscriptions made with the intention of allowing the 4 per cent. bonds to remain in the sub-treasury as collateral would have your approval, or whether you would prefer subscriptions only for immediate delivery.

We have thus far limited ourselves to the latter class, and have declined many large subscriptions where the parties desired to have time on the purchase (60 to 90 days) at a low rate of interest that could only be warranted by presupposing that the bonds could rest with the government against the deposit. We, however, interpreted your order requiring 5 per cent. margin on United States notes and 4 per cents. (the atter redeposited) as intended to discourage the lodgment of either

against deposits, and have, therefore, tried to conform to what we conceived to be the *spirit* of the order.

As other agents, however, are taking subscriptions on time in the manner referred to, we begin to feel that our interpretation of your wishes may have been erroneous.

We have already exceeded *twenty-five millions* in our subscriptions, which makes us second only to the First National Bank in furthering your great work of refunding the debt; and had we felt sure of your wishes in the particulars asked, we could have contributed still larger figures.

Very respectfully, EDMUND D. RANDOLPH, *President.*

No. 867.

Mr. Sherman to First National Bank, Conshohocken, Pa.

TREASURY DEPARTMENT, *January* 31, 1879.

CASHIER FIRST NATIONAL BANK, *Conshohocken, Pa:*

SIR: Your letter of the 18th instant, stating that your bank is considering the propriety of exchanging the "five per cent. bonds of 1881," now held by the Treasurer of the United States as security for circulation, for the "four per cent. consols of 1907," and asking whether a commission will be allowed the bank as though a sale of the 4 per cent. bonds were made, also whether the department has a prescribed form for use to accomplish this purpose, has been received.

In reply, I have to inform you that the exchange may be made, if desired; but none of the "five per cent. bonds of 1881" are yet subject to call, and the department cannot receive them in payment of 4 per cents subscribed for. It will, therefore, be necessary for your bank to first purchase the 4 per cents, and substitute them for the 5 per cents now held as security before the latter can be withdrawn.

I inclose herewith for your information copy of department circular of the 1st instant, showing the commission allowed on subscriptions.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 868.

Eighty-sixth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867

TREASURY DEPARTMENT,
Washington, D. C., February 1, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 1st day of May, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867.

$50—No. 70001 to No. 75000, both inclusive.	
$100—No. 100001 to No. 115000, both inclusive.	
$500—No. 69001 to No. 75000, both inclusive.	
$1,000—No. 100001 to No. 114000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872."

$50—No. 2801 to No. 3000, both inclusive	
$100—No. 20301 to No. 21900, both inclusive.	
$500—No. 9901 to No. 10650, both inclusive.	
$1,000—No. 38201 to No. 40900, both inclusive.	
$5,000—No. 10801 to No. 11500, both inclusive.	
$10,000—No. 18451 to No. 19700, both inclusive.	
Total registered	$10,000,000
Aggregate	$20,000,000

The amount outstanding, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 869.

Mr. Sherman to Continental National Bank, New York.

TREASURY DEPARTMENT, *February* 1, 1879.

EDMUND D. RANDOLPH, Esq.,
President Continental National Bank, New York:

SIR: Your letter of the 31st ultimo is received.

It would seem that the question you put is one to be decided by the bank rather than by the department. No subscriptions are desired except such as will be certainly paid without doubt or question before the expiration of the ninety days either in gold coin or called bonds.

It is not the interest of the department to have subscriptions made more rapidly than the bonds can be absorbed in the market; and therefore it is not advisable to have speculative subscriptions, based upon future payment, except when that future payment is absolutely secure to the bank, as by the deposit of 5-20 bonds.

We look only to the banks and to the securities held, and assume that the banks will protect themselves against speculative subscriptions by their customers.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 870.

National Bank State of New York to Mr. Sherman.

THE NATIONAL BANK OF THE STATE OF NEW YORK,
New York, February 3, 1879.

To the SECRETARY OF THE TREASURY,
Washington, D. C.:

DEAR SIR: We have many inquiries from customers who have subscribed through us to the 4 per cent. loan, who are also holders of large amounts of called 6's, as to the probable course which the department will pursue in regard to the calls which mature in April next.

It is feared by many interested that the delay which will likely occur in receiving returns for called bonds forwarded will cause serious inconvenience as well as great activity in the money market. In the event of no arrangement being made for receiving the called bonds in New York, if parties could be allowed to forward called bonds on deposit as collateral—through the medium of the express company, taking receipts in the name of the assistant treasurer, and receiving credit for the face of the bonds as against subscriptions due here—it would greatly facilitate the adjustment of balances due the department in the way of transfer of funds and avoid the use of large amounts of money.

We would feel greatly obliged if you will favor us with your views on this subject, and trust that your action in regard to the same may be such as to effectually allay the apprehension which appears to exist on the part of many holders of called bonds.

Very respectfully, R. L. EDWARDS, *Cashier.*

No. 871.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
New York, February 3, 1879.

SIR: I am advised by the Treasurer, in his letter of the 14th ultimo, that it is the understanding at the department that transfers made by the depositing banks on account of the four per cent. loan are to be made in coin, though in a subsequent letter he expresses a doubt whether such payments can be enforced.

The difficulty lies in the fact that so long as United States notes are convertible into gold at the option of the holder, a refusal to receive them either in transfers on account of the four per cent. loan or other coin payments will be likely to induce their immediate presentation for redemption, thus practically compelling the Treasury to furnish the gold, or, in other words, to accept notes in payment of coin dues, as the result of the transaction when completed in this way must be an increase in notes and not in coin. In the absence of any positive instructions in the matter, and in view of the difficulty, if not the impossibility, of enforcing coin payments in these transfers, I beg leave to inquire if we shall accept notes when tendered, as we have hitherto done, and whether we shall in such cases use the word "dollars" or "coin" in filling up the certificates. I notice that the recent contract with the syndicate limits the payments in money to "gold coin," but will not the correspondents of the London firms here be able to substitute United States notes in the way just described?

Very respectfully, THOS. HILLHOUSE.

The Hon. JOHN SHERMAN, *Secretary.*

No. 872.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *February* 4, 1879.

THOMAS HILLHOUSE, Esq.,
Assistant Treasurer United States, New York:

SIR: In addition to the shipments of bonds from your office to this department authorized by my letter of the 20th ultimo, you are hereby authorized, upon the receipt of a written request from the owner of any called coupon bonds held by your office as security for subscriptions to the four per cent. loan, to perforate the bonds in the usual manner and to transmit them to this office by express for credit of proceeds in the account of the bank owning the bonds.

Upon like request you will also transmit to this office, without perforating, called registered bonds held for like purpose, the proceeds to be credited in like manner.

Registered bonds sent from your office to this department may be sent by messengers as heretofore. Coupon bonds, complete or perforated, will be sent by express.

It is understood that these shipments are to be made at the risk and expense of the owners of the bonds, and you will, therefore, before shipment, collect of the parties in interest the following rates when sent by express:

For every amount of $1,000 or fractional part thereof: on coupon bonds, complete, 20 cents; on coupon bonds perforated, 12½ cents; on registered bonds, 15 cents; depositing the amount collected to the credit of the United States Treasurer in your office, in your name, as a repayment to "Appropriation for refunding the national debt—4 per cent.," transmitting to this office the original certificate therefor, noting on it the names of the parties on whose account the shipments were made and the dates and amounts of the shipments.

The expenses of messengers will be collected by you and paid out directly. You will retain in your office a schedule of all bonds thus shipped and note on each package sent the character of the contents.

Please advise the banks interested of the contents of this letter.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 873.

Mr. Sherman to National Bank State of New York.

TREASURY DEPARTMENT, *February* 4, 1879.

R. L. EDWARDS, Esq.,
Cashier National Bank of the State of New York, New York:

SIR: In reply to your letter of the 3d instant, on the subject of the called bonds which mature in April next, and asking whether some arrangement can be made whereby they can be used in adjusting balances due the government for four per cent. subscriptions, I have to state that such bonds will be received at this department for redemption and credit of their proceeds, including interest to maturity of the calls in which they are embraced as a "transfer of funds" on account of four per cent. subscriptions, and a certificate of deposit for the amount will

be issued in favor of the banks for whose account the bonds are transmitted.

The bonds may be placed with the assistant treasurer at New York, to be forwarded to this department at the risk and expense of the owners; and a letter of instruction has this day been addressed to that officer, to whom you are referred for further particulars.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 874.

Mr. Sherman to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *February* 5, 1879.

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: I have received your letter of the 3d instant, stating the difficulty in enforcing coin payments of transfers from depositary banks on account of the four per cent. loan, and asking, in view of the circumstances, whether you should use the word "dollars" or "coin" in filling up certificates issued on this account.

In reply, I have to inform you that under the provisions of department's circular of January 1, 1879, transfers on account of subscriptions to the loan are required to be made in coin; but under the requirements of the resumption act, a tender of United States notes at your office is practically the same as a coin payment.

There would appear to be nothing gained, therefore, by requiring payment in actual coin; and the word "coin" may as well be left out of the certificates on account of such transfers hereafter to be issued.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 875.

Eighty-seventh call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

TREASURY DEPARTMENT,
Washington, D. C., February 6, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein-below designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 6th day of May, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867.

$50—No. 75,001 to No. 80,000, both inclusive.
$100—No. 115,001 to No. 130,000, both inclusive.
$500—No. 75,001 to No. 81,000, both inclusive.
$1,000—No. 114,001 to No. 129,000, both inclusive.
Total coupon..... $10,000,000

REGISTERED BONDS

"*Redeemable at the pleasure of the United States after the 1st day of July, 1872.*"

$50—No. 3,001 to No. 3,100, both inclusive.	
$100—No. 21,901 to No. 22,950, both inclusive.	
$500—No. 10,651 to No. 11,150, both inclusive.	
$1,000—No. 40,901 to No. 42,300, both inclusive.	
$5,000—No. 11,501 to No. 12,150, both inclusive.	
$10,000—No. 19,701 to No. 21,300, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 876.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *February* 7, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We take the liberty of addressing you upon the question of the settlement for the subscription to the 4 per cent. bonds to be made during the coming month of April.

The amount of subscriptions to be settled for by the banks during April by payments into the Treasury is one hundred and fifty millions, against which, it is true, a like amount of five-twenties has been called for redemption. Experience teaches, however, that the bonds called are generally not collected by the owners to the full amount of the call, and while heretofore, when funding proceeded more slowly, this non-presentation for payment of all the bonds on the date of the maturity of a call did not affect the money market, in the present state of affairs such large sums representing called five-twenties awaiting collection will, in all probability, accumulate in the Treasury that the money market must, as a consequence, become seriously embarrassed.

The thanks of the entire financial community are due to you for the ability with which you have heretofore managed to overcome all difficulties in the way of resumption and funding, and we ourselves feel satisfied that you have already considered the above-stated difficulties.

Being, as you are aware, largely engaged in the sale of 4 per cents, and desiring, as prudent business men, to provide against contingencies, you will pardon us for applying to you for an explanation of the situation as you take it.

We can see only one way open, if serious embarrassments are to be spared to the money market, viz, that the proceeds of the sales of the

4 per cents now in the national banks subject to your call shall be called in only as fast as the called bonds are actually presented for payment, and shall not be called in one day previous to the maturity of calls, as has been the practice heretofore.

We will consider it a special favor if you will reply fully to our inquiry, and we remain, honorable sir,

Very respectfully, yours, KUHN, LOEB & CO.

No. 877.

Mr. Sherman to Assistant Treasurer United States, Boston.

TREASURY DEPARTMENT, *February* 8, 1879.

F. HAVEN, JR., *United States Assistant Treasurer, Boston, Mass.:*

SIR: In the receipt of any registered bonds which may be hereafter tendered you by a depositary bank in exchange for 4 per cent. bonds sent you by this department for delivery, you will take from the party in interest such an assignment or power of attorney as will enable you to fully control the bonds, and upon the written request of the party in interest you may transmit by express to this office for redemption and credit in account any called bonds held by you as security for subscriptions, interest to be allowed here up to date of their maturity.

The packages sent should be addressed to the "Loan Division, Secretary's Office."

It is understood that such shipments are to be sent at the risk and expense of the party in interest, and before shipment you will collect on each $1,000, or fractional part thereof to be shipped, amounts as follows:

On coupon bonds, 20 cents; on registered bonds, 10 cents; depositing the amount collected to the credit of the Treasurer of the United States in your office as a repayment to the appropriation "refunding the national debt 4 per cent.," and transmitting to this office the usual certificate of deposit, on which should be noted the dates and amounts of the shipments on account of which the money was collected.

You will keep a full record of all bonds forwarded under these instructions, and will note on the packages sent the character and amount of the contents.

You will render to this and the Treasurer's office a daily statement of the bonds held by you as security, showing in detail to whom they belong.

You may communicate this information to the banks interested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 878.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *February* 8, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York City, N. Y.:

SIR: Your letter of the 6th instant, again asking that legal-tender notes be received by sub-treasury offices outside of New York in payment of balances due from your bank on account of subscriptions to the four

per cent. loan, has been received and carefully considered, but for reasons heretofore stated I do not think it advisable to grant your request.

I will add that the receipts in the sub-treasuries outside of New York are already in excess of the amounts which the department can disburse in the respective localities of these offices.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 879.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *February* 11, 1879.

Messrs. KUHN, LOEB & CO., *New York:*

GENTLEMEN: Your letter of the 7th instant duly received.

Proper means to prevent any injurious effect of the very large payments to be made for called bonds during the month of April will receive the careful attention of the department. It is to be hoped, however, that the business will be concluded very largely by the payment into the Treasury of called bonds on account of subscriptions to the four per cent. loan. The general notice and magnitude of the calls will probably bring in the bonds for payment more rapidly than heretofore.

Very respectfully, JOHN SHERMAN *Secretary.*

No. 880.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *February* 11, 1879.

SHERMAN, *Washington:*

Party has arrived safely to-day. CONANT.

No. 881.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *February* 12, 1879.

SHERMAN, *Washington:*

Am I authorized to receive from Rothschild & Sons temporary collateral in limited amounts against 4 per cent. funded loan coupon bond? I think that it is important for this market to do this. Letter (or) instructions leaves no discretion. If you will agree to this, (it) will greatly facilitate call at once.

I have delivered to-day $3,000,000 4 per cent. coupon bonds, Rothschild & Sons, paid for, according to the contract. CONANT.

No. 882.

Eighty-eighth call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

TREASURY DEPARTMENT,
Washington, D. C., February 12, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 12th day of May, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1867.*

$50—No. 80001 to No. 85000, both inclusive.	
$100—No. 130001 to No. 146000, both inclusive.	
$500—No. 81001 to No. 87000, both inclusive.	
$1,000—No. 129001 to No. 144000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the 1st day of July, 1872*":

$50—No. 3101 to No. 3170, both inclusive.	
$100—No. 22951 to No. 23200, both inclusive.	
$500—No. 11151 to No. 11300, both inclusive.	
$1,000—No. 42301 to No. 43400, both inclusive.	
$5,000—No. 12151 to No. 13400, both inclusive.	
$10,000—No. 21301 to No. 23000, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 883.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *February* 12, 1879.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means,
House of Representatives:

SIR: I notice in the House bill (No. 5,477) to authorize the issue of certificates of deposit to aid in refunding of the public debt, which passed the Senate on the 11th instant with an amendment, provides that

the money received therefrom shall be applied only to the payment of 5-20 bonds.

As the funding of the 5-20 bonds is proceeding with unexpected rapidity, I have the honor to suggest that the bill be so amended as to permit the proceeds of these certificates to be applied to the payment of any bonds of the United States bearing interest at 5 per centum per annum, or at a higher rate, which may be redeemable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 884.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 13, 1879.

CONANT, *London:*

Receive payment for 4 per cent. consols as heretofore by you.

SHERMAN.

No. 885.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *February* 13, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: We are just in receipt of a telegram from Messrs. N. M. Rothschild & Sons, of London, informing us that Mr. Conant refuses to receive called bonds maturing later than the 21st of April against delivery of 4 per cent. bonds, and requesting us to ask you to allow *all called* bonds to be taken against delivery of 4s. They add that they have otherwise no 4 per cent. bonds to make deliveries against their sales, in consequence of which all business under the contract must stop, and desire us to say that "the Secretary is too hard with us." They have about $3,000,000 called bonds on hand, which mature only a few days after the 21st, but which, under Mr. Conant's ruling, cannot be made use of.

We beg to recommend Messrs. Rothschild's request to your earnest attention, and hope that you will, as desired by them, authorize Mr. Conant to deliver 4 per cents to them against all called bonds. Under the restrictions placed upon them by Mr. Conant, it would certainly be next to impossible to operate to any extent under the contract of the 21st ultimo, particularly as so much greater facilities are given here to all subscribers, who are allowed to deposit, not only all called bonds, but also all other United States bonds, in order to secure the delivery of 4 per cents, and consequently would enjoy an advantage over the syndicate which would enable them to undersell and compete successfully with the latter.

We shall be obliged if you will kindly telegraph your decision to us to-morrow morning, and also advise Mr. Conant as early as possible.

We remain, dear sir, very respectfully, yours,

Per pro AUGUST BELMONT & CO.
W. LUTTGEN.
W. BRUTER.

No. 886.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *February* 14, 1879.

SHERMAN, *Washington:*

Can you make (a) shipment (of) 4 per cent. consols Thursday, twentieth?

CONANT.

No. 887.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *February* 14, 1879.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.:

Raphael cables that Conant declines receiving called bonds maturing later than twenty-first April. Please instruct Conant by cable to deliver our fours to Raphael, against equal amount face value of called bonds of any dates. We will settle interest here, as stated in our letter to you of January twenty-second. They have nothing to do with it. Please answer.

H. C. FAHNESTOCK,

Vice-President First National Bank.

No. 888.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 14, 1879.

CONANT, *London:*

You may deliver to Raphael & Sons any of the three million six hundred thousand ($3,600,000) 4 per cent. consols, receiving in exchange any United States bonds called before subscription.

Interest account adjusted here.

SHERMAN.

No. 889.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPATMENT, *February* 14, 1879.

H. C. FAHNESTOCK,

Vice-President First National Bank, New York:

Conant instructed to deliver to Raphael & Sons, receiving any United States bonds called on or before date of subscription.

JOHN SHERMAN, *Secretary.*

No. 890.

First National Bank, New York, to Mr. Hawley.

[Telegram.]

NEW YORK, *February* 14, 1879.

J. B. HAWLEY,
Acting Secretary of the Treasury, Washington, D. C.:

Instructions erroneous. Please cable Conant to-day to receive three million six hundred thousand called bonds, any date. Interest is to be adjusted here. Raphael has nothing to do with it, and we have now in hand over twelve million called bonds of the required dates with which to settle.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 891.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 14, 1879.

CONANT, *London:*

You may deliver to Rothschilds 4 per cent. funded loan bonds, receiving (a) like amount of any United States called bonds as collateral security.

SHERMAN.

No. 892.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *February* 14, 1879.

AUGUST BELMONT & CO., *New York:*

Letter received. Mr. Conant has been instructed to deliver fours to Rothschilds, and take like amount of any called bonds as collateral.

JOHN SHERMAN, *Secretary.*

No. 893.

Mr. Hawley to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *February* 14, 1879.

Messrs. AUGUST BELMONT & CO.,
New York, N. Y.:

GENTLEMEN: Referring to your letter of the 13th instant respecting the refusal of Mr. Conant to deliver to Messrs. N. M. Rothschild & Sons United States 4 per cent. consols against deposits of temporary collat-

eral, I have to advise you that I have this day instructed Mr. Conant by cable to deliver 4 per cent. consols upon the deposit with him of any United States called bonds, without reference to the date of maturity of the same; this will, I think, be satisfactory to you and to your associates.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 894.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *February* 14, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to acknowledge the receipt of your telegram of this morning informing us that Mr. Conant had been instructed to deliver 4 per cent. bonds to the Messrs. Rothschild and take there against a like amount of any called bonds as collateral.

Pray accept our best thanks for having so kindly and promptly acceded to our request. It would, undoubtedly, much facilitate the sale of 4 per cent. bonds abroad if you would authorize Mr. Conant to receive also all other United States bonds as collaterals, and, in fact, extend to the London syndicate the same facilities given to the subscribers to the 4 per cent. bonds here.

We submit this suggestion to your kind consideration, and hope to receive a favorable reply at your earliest convenience.

We remain, dear sir, very respectfully, yours,
AUGUST BELMONT & CO.

No. 895.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK OF NEW YORK, *February* 14, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We telegraphed you this morning that Messrs. Raphael & Sons cabled that the Treasury agents declined to receive called bonds maturing later than 21st April, and we asked you to instruct Mr. Conant by cable to receive called bonds irrespective of dates. We have Acting Secretary Hawley's reply stating that Mr. Conant was instructed to deliver to Raphael & Sons, receiving any United States bonds called on or before date of subscription.

Your letter to us of January 31, says: "In accordance with your request Mr. Conant has been instructed to deliver these bonds to Messrs. R. Raphael & Sons, London, upon payment in full therefor made to him in United States called bonds or United States coin coupons."

To make the matter clearer we have replied to Mr. Hawley's dispatch as follows: "Instructions erroneous. Please cable Mr. Conant to-day to receive $3,600,000 called bonds of any dates in exchange for our 4s. The interest is to be adjusted here. Messrs. Raphael have nothing to

do with it. We have now in hand over twelve millions called bonds of the required dates with which to make settlement," and we trust that your instructions to Mr. Conant go forward to-day in order that there may be no further interruption in our deliveries.

It is our intention to place the called bonds of later dates in our general collateral, and to apply in settlement the required amount of those we now hold. The $3,600,000 bonds in question are only part of one of our $5,000,000 subscriptions, and settlement for them will differ in no wise from the settlements of our other subscriptions. And we want it particularly understood that Messrs. Raphael have nothing whatever to do with the question of interest or commission and are simply to deliver bond for bond.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 896.

Mr. Hawley to Mr. Conant.

TREASURY DEPARTMENT, *February* 14, 1879.

Hon. CHARLES F. CONANT,

In charge of agency for refunding the public debt, London, England:

SIR: Your cable announcing your arrival was duly received. On the 12th instant the following cable was received from you, viz: "Am I authorized to receive from Rothschild & Sons temporary collateral in limited amounts against 4 per cent. funded loan coupon bonds? I think that it is important for this market to do this. Letter instructions leaves no discretion. If you will agree to this, will facilitate call at once. I have delivered to-day $3,000,000 4 per cent. bonds Rothschild & Sons paid for, according to the contract," to which the following reply was cabled you: "Receive payment for 4 per cent. bonds as heretofore by you." On further consideration the following dispatch was sent you this day, viz: "You may deliver to Rothschilds 4 per cent. bonds, receiving like amount of any United States called bonds as collateral security."

The First National Bank of New York having informed the department that you had declined to deliver to Messrs. Raphael & Sons the $3,600,000 subscribed for by the said bank upon their tender of payment in United States *unmatured* called bonds, the following instructions have been cabled to you this afternoon, viz: "You may deliver to Raphael & Co. any of the $3,600,000 4 per cent. consols, receiving in exchange any United States bonds called before subscription. Interest account adjusted here."

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 897.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 15, 1879.

CONANT, *London:*

You may deliver to Raphael & Sons the $3,600,000 4 per cent. consols, receiving any United States called bonds as collateral security.

Can have 4 per cent. coupon bonds (thousands) shipped by February 22. SHERMAN.

No. 898.

Mr. Hawley to First National Bank, New York.

TREASURY DEPARTMENT, *February* 15, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

SIR: I have to acknowledge the receipt of your letter of the 14th instant respecting the delivery to Messrs. Raphael & Sons, in London, of the $3,600,000 4 per cent. consols covered by your certificate of deposit No. 68, dated January 17, 1879, and in which you state that, while you desired that Messrs. Raphael & Sons should be allowed to deposit as security for said 4 per cent. consols any United States called bonds, your intention was to make payment of the entire subscription covered by said certificate of deposit "in called bonds of the required dates"; that is to say, with called bonds maturing within ninety days of the date of said subscription.

As the department is desirous of extending every proper facility, Mr. Conant has been instructed, by cable, to deliver to Messrs. Raphael & Sons the $3,600,000 4 per cent. consols, taking any United States called bonds as collateral security.

It is understood that the amount of the subscription is to be paid by actual transfer of coin, matured coupons, or matured called bonds to the Treasury within ninety days from the date of the certificate issued therefor.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 899.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *February* 15, 1879.

DEAR SIR: I send you herewith copies of telegrams and letters, which will explain themselves and will be your guide in the matters referred to.

The rapid sales of bonds in this country tend to make me solicitous to promote sales in Europe to avoid anything like a drain of coin here in April, May, and June. I therefore thought it best to allow the syndicate to deposit with you any called bonds as collateral, but payment for the 4 per cents must in every case be made within the ninety days, the interest to be adjusted here.

Please say to the Messrs. Rothschild that it is desirable to have all called bonds as soon as received by them, and they will be credited with interest to the maturity of the call.

Very respectfully, JOHN SHERMAN, *Secretary.*

Hon. CHARLES F. CONANT, *London.*

No. 900.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *February* 15, 1879.

GENTLEMEN: Your letter of the 14th instant, in which you request that the department authorize Mr. Conant to receive all United States bonds as collaterals, and extend to the London syndicate the same facilities given to the subscribers to the four per cent. bonds in this country, is received.

This subject has been very carefully examined by the department, and it is held that there is no power under existing law to do this except through the agency of a national bank, with which such an arrangement is expressly authorized by law.

The ground upon which I acceded to your request, to receive called bonds as collateral, is that under the refunding act the department may treat such bonds as money. It is my desire to give to the Messrs. Rothschild, and associates, every facility allowed by the law in making the conversion of 5-20 bonds into four per cents. As there are now outstanding over $25,000,000 called bonds, and in due course the remaining 5-20s will be called, it is thought that the authority granted will furnish every reasonable facility for the refunding process.

Very respectfully, JOHN SHERMAN, *Secretary.*

Messrs. AUGUST BELMONT & CO., *New York.*

No. 901.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, February 15, 1879.

DEAR MR. SECRETARY: I had the pleasure, on the 11th instant, of informing you, by cable dispatch, of our safe arrival here. We had an unusually fine passage across for this season of the year. We reached Liverpool on Monday p. m., remained there over night, and made our journey to this city on the following day. On commencing business here I found that the parties did not fully understand all the provisions of the contract.

They claim that they were not informed of the clause requiring them to make payment for the four per cent. bonds in 5-20 bonds, called for redemption not later than the date of subscription, at the time the contract was signed. They had on hand a little more than six million of 5-20 bonds, nearly one-half of which had been called since the date of the contract, and which they desired me to receive in payment for the four per cent. bonds. Knowing that it would require some little time to enable the parties to collect the bonds called before January 21, I thought it advisable to cable to you and obtain authority to receive the 5-20s maturing after April 21, as collateral, and accordingly I sent a message to you, as follows: "Am I authorized to receive from Messrs. N. M. Rothschild & Sons temporary collateral in limited amounts, uncalled 5-20 bonds, or maturing after April 21, against four per cent. funded loan coupon bonds? I think that it is important for this market to do this. Letter instructions leaves no discretion. If you will agree to this, will facilitate call at once. I have delivered to-day three million four

per cent. coupon bonds, N. M. Rothschild & Sons, paid for, according to contract." In answer, I received your message, as follows: "Receive payment for four per cent. bonds as heretofore by you."

Your letter, dated January 31, after I left Washington, directed me to deliver the four per cent. bonds to the Messrs. Rothschild as required by them upon payment being made therefor as provided in the contract. The Messrs. Rothschild did not request me to receive any of the 5-20 bonds maturing after April 21 as *collateral*, but as *payment* in full for the four per cents. They sent a cable dispatch to Messrs. Belmont & Co., requesting them to obtain you to consent to the acceptance of these bonds in payment. Other parties sent cable messages to their correspondents, asking them to get you to consent to my receiving these bonds as collateral. Yesterday evening I received your dispatch in answer, I take it for granted, to the messages referred to above, as follows: "You may deliver to the Rothschilds four per cent. coupon bonds, receiving like amount of any United States called bonds as collateral security."

They have already paid me for (in round numbers) $4,000,000 bonds, according to the contract. They have half million to pay on Monday in bonds called prior to January 21, and the balance, about two million, they will hand me in called 1867s, to be held as collateral. With authority to receive collateral here, I can see no reason why the syndicate cannot now make fair sales of bonds; but without it, by reason of the clause in the contract already referred to, they could do but little. I promptly informed Messrs. R. Raphael & Sons of my readiness to deliver $3,600,000 4 per cent. bonds to them upon their paying me for them in 5-20 bonds called prior to January 17, and received an answer from them to the effect that under their arrangement with the First National Bank of New York they were to deliver to me any called bonds, but that interest on them was to cease April 17. They exhibited a copy of a letter from that bank in which the terms of the agreement were as stated above. I have called upon them three or four times in regard to the exchange, and on yesterday they informed me that they had sent a cable message to their correspondents in New York, asking that instructions be sent to me to receive their bonds maturing after April 17. In fact they have some uncalled bonds which they expected me to take. They have only $2,200,000 in bonds which I can receive from them. I have advised them to direct their correspondents in New York to pay into the sub-treasury thereon Monday next $1,400,000 in coin; to hand me the $2,200,000 in bonds, which they claim are all right; to send the bonds which they have that I cannot receive to their New York correspondents against their payment to the Treasury; and that then, upon the receipt of a cable from you that the money has been paid into the Treasury, the bonds can be delivered to them. This they are perfectly satisfied to do.

Since the contract was made Messrs. R. Raphael & Sons have collected and sent to New York $3,200,000 of 1867 bonds, and they send another million to-day. The $3,600,000 which they sold of the 4 per cent. bonds are for a trust company, and are a permanent investment.

I had the honor to receive this morning from you a message in regard to these bonds, as follows: "You may deliver to Raphael & Co. any of the three million six hundred thousand 4 per cent. coupon bonds, receiving in exchange any United States bonds called before subscription. Interest account adjusted here." This dispatch corresponds and is identical with the instructions which you gave me in regard to these bonds, and under which I offered to deliver the bonds on Wednesday last. The matter will undoubtedly be adjusted on Monday or Tuesday. I sent a

dispatch to you yesterday evening inquiring if you could make a shipment of 4 per cent. bonds on Thursday next, to which as yet I have received no reply. The syndicate are to decide on Monday as to the amount of the call which they propose to make on that day. The value of money here has advanced this week ¼ per cent., and is now 2¾ per cent. for three months. The bank rate is now 3 per cent. It was expected yesterday that it would be lowered on account of the accumulation of the reserves; but as the increased reserves were derived chiefly from revenue payments, soon to be again paid out, a change was not considered advisable. It is thought that the rate of the Bank of France will be reduced during the coming week, and that it will cheapen money here.

The government has proposed a bill, which has been introduced by the chancellor of the exchequer, providing for the liability of the shareholders in banks, and the better security, &c., of notes issued.

Several inquiries have been made of me in regard to the letter which you sent to the House of Representatives on the 13th instant in regard to a deficiency in the revenues of $27,000,000.

A scheme is on foot here to advance the price of silver. It is being manipulated in the interests of India.

I have the promise of a copy of the plan on Monday or Tuesday, and shall hasten to send it to you.

With great respect, I have the honor to be your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 902.

Eighty-ninth call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

TREASURY DEPARTMENT,
Washington, D. C., February 17, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the seventeenth day of May, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867:

$50—No. 85001 to No. 90000, both inclusive.	
$100—No. 146001 to No. 160000, both inclusive.	
$500—No. 87001 to No. 93000, both inclusive.	
$1,000—No. 144001 to No. 158000, both inclusive.	
Total coupon	$10,000,000

REGISTERED BONDS.

"Redeemable at the pleasure of the United States after the 1st day of July, 1872:"

$50—No. 3171 to No. 3220, both inclusive.	
$100—No. 23201 to No. 23500, both inclusive.	
$500—No. 11301 to No. 11450, both inclusive.	
$1,000—No. 43401 to No. 44200, both inclusive.	
$5,000—No. 13401 to No. 14000, both inclusive.	
$10,000—No. 23001 to No. 25300, both inclusive.	
Total registered	10,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption account of the owner or owners, giving name or names thereof.

JOHN SHERMAN, *Secretary.*

No. 903.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, February* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of the 15th instant, informing us that you have instructed Mr. Conant to deliver our $3,600,000 four per cent. consols to Messrs. R. Raphael & Sons, taking from them any United States called bonds as collateral. We will thank you to have all the called bonds so received transmitted to your department as rapidly as convenient as a part of our general collateral.

You correctly understand that the subscription in question will be paid in coin in usual course within three months from its date.

Respectfully, H. C. FAHNESTOCK, *V. P.*

When the above-mentioned called bonds come to hand, please furnish us with a list of the amount of each call.

No. 904.

Mr. Conant to Mr. Sherman,

[Cable telegram.]

LONDON, *February* 18, 1879.

SHERMAN, *Washington:*

I suggest shipment of $10,000,000, four per cent. consols February 22d. I think (they) will be wanted.

I cannot persuade Messrs. N. M. Rothschild & Sons (to make a) call at the present time.

They desire the Secretary of the Treasury (to) send me four per cent. consols and they will subscribe for $1,000,000, or more as required, instead of by $5,000,000 calls. CONANT.

No. 905.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 18, 1879.

CONANT, *London:*

I have received your cable of to-day. Four per cent. consols will be sent March 1. Cannot be done sooner.

Send me as soon as possible collateral received from Raphael & Sons.

SHERMAN.

No. 906.

Mr. Sherman to Mr. Burchard.

TREASURY DEPARTMENT, *February* 18, 1879.

Hon. H. C. BURCHARD, *House of Representatives:*

SIR: Referring to our conversation of last evening, I beg to suggest to you and to the Committee of Ways and Means that any shortening of the duration of the call of 5-20 bonds, though expedient at the beginning of the session, might be held to be in violation of existing contracts. The contract made with the foreign syndicate for the sale of bonds in London is deemed of very great importance, as it provides means there to meet called bonds, which otherwise might have to be paid by the exportation of gold coin. This contract permits payment to be made at any time within ninety days.

Also, the circular issued by the department on the 1st of January offers to all national banks the deposit of the proceeds of four per cent. bonds during ninety days. By this means alone have the enormous sales of our $220,000,000 of four per cent. bonds been made since January 1. As but about $120,000,000 will be required to cover the balance of the 5-20 bonds, and as this will probably be mostly covered before the passage of the proposed act, and to avoid all question of violation of the public faith, I suggest that the 5-20 bonds be excepted from any shortening of the call, and that the act apply only to the 10-40s, which follow.

The existing contracts and circulars are based only upon the refunding of the 5-20s, and ought not to be changed without the gravest reasons, while the plan of refunding the 10-40s may be quite different at the pleasure of the department, and I intended to change it so as to save the double interest if practicable, mainly under the law passed at the present session. At present I see no objection to shortening the call in the refunding of the 10-40 bonds, except the fact that the new law providing for a direct exchange allows in terms three months' interest, but this could be modified by the new law if desired. Again, I very much fear that any shortening of the call for the 5 20s would suddenly stop the sale of the four per cent. bonds, which would be attributed to the proposed act of Congress, and might lay the foundation for a claim by bankers of a violation of the public faith.

I therefore hope that the present arrangements for refunding the 5-20s will not be changed in any respect.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 907.

Mr. Sherman to Mr. Wood.

TREASURY DEPARTMENT, *February* 18, 1879.

Hon. FERNANDO WOOD,
Chairman Committee of Ways and Means,
House of Representatives:

SIR: I have the honor to acknowledge the receipt of your letter of the 17th instant, requesting to be informed what was the cash balance remaining in the Treasury on the 15th instant, and how much of said amount is held for resumption purposes and how much for other purposes; also to state how much is in coin, United States notes, and other available cash resources.

In reply I have to inform you that from latest returns received there was in the general assets of the Treasury upon the date mentioned—

Of gold coin and bullion	$133,377,271 00
Of silver coin and bullion	35,565,438 49
In all	168,942,709 49

After deducting the amount of current liabilities from the amount of entire assets, the balance available for resumption at same date was $136,467,764.67; but no separate designation of particular moneys for this purpose has been kept, nor has it yet been determined whether the resumption fund can be considered as moneys in the Treasury not otherwise appropriated.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 908.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, February 18, 1879.

SIR: It is well known that all balances due by the associated banks of this city to the clearing-house may be, and as a matter of fact are, paid in certificates authorized by the act of June 8, 1872. Indeed, the object as expressed in the title was "for the better security of bank reserves and to facilitate bank clearing-house exchanges."

Now, as this office has been admitted as a member of the clearing-house, it has been suggested by the manager that we might use certificates instead of United States notes in the payment of *our* balances, thus conforming to the usual practice and avoiding the delay and risk caused by the use of notes.

The suggestion of the manager was that the certificates presented from time to time for redemption, instead of being canceled, should be reissued to the office, the same as to a bank, in exchange for an equal amount of United States notes to be taken from our cash and transferred to the deposit of United States notes, held for the redemption of the certificates.

Aside from any legal question, the objection to this plan is that it would at best be only a partial remedy. Our redemptions for January were only $2,000,000, while our balances at the clearing-house were over $17,000,000, so that, if we had reissued and used all the certificates we redeemed that month in the payment of these balances, they would have furnished but a small part of the amount required.

The only effective plan, therefore, would be to issue the certificates originally to the office, the same as to a bank, in any amounts that might be required for clearing-house purposes, in exchange for an equal amount of United States notes to be transferred from our stock on hand to the deposit on account of the certificates. This would of course give us all the certificates needed under any circumstances, but would it be consistent with the act of 1872, and would the Secretary permit it? As the law was intended to facilitate clearing-house exchanges, it may be urged that the admission of this office to membership must carry with it the right to use the certificates the same as any other member, including the right of receiving them the same as a bank, from the division where they are issued in exchange for notes. But I submit the question of the expediency and legality of what has been proposed for the consideration and decision of the Secretary without further comment.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 909.

Mr. Sherman to Messrs. Morton, Bliss & Co.

TREASURY DEPARTMENT, *February* 19, 1879.

Messrs. MORTON, BLISS & CO., *New York:*

GENTLEMEN: Your letter of yesterday is received. As you say, Mr. Conant has requested me to make shipment of $10,000,000 four per cent. bonds in advance of subscriptions. At first I was not disposed to do this, because the contract plainly requires the transmission to London only after the bonds have been subscribed for, and I understood that the Messrs. Rothschild declined to subscribe, as proposed, at the rate of $5,000,000 a month.

I have concluded, however, to send this shipment upon assurances that subscriptions in less sums would be made from time to time. You will perceive that subscriptions ought to be made according to the contract before the government is put to the expense of sending bonds for delivery.

The party will sail March 1.

Very respectfully,

JOHN SHERMAN, *Secretary.*

No. 910.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *February* 19, 1879.

SHERMAN, *Washington:*

Rothschild & Sons subscribe for two (2) millions to-day on account of 4 per cent coupon bonds, to be sent March 1.

Raphael & Sons' collateral and 5-20 called bonds will be sent Saturday next.

Shall collateral be canceled?

CONANT.

No. 911.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *February* 20, 1879.

CONANT, *London:*

Raphael & Sons' collateral must be canceled. SHERMAN.

No. 912.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *February* 20, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Without expressing any opinion upon the matter mentioned in your letter of the 18th, I send you herewith a copy of a letter from the Treasurer making some suggestions in respect to your recommendations, which I will thank you to return to me with your reply. Will not the large notes sent you answer the purpose?

Very respectfully, JOHN SHERMAN, *Secretary.*

[Inclosure to letter of February 20, 1879, from Mr. Sherman to Mr. Hillhouse.]

TREASURY OF THE UNITED STATES,
Washington, February 20, 1879.

SIR: I have the honor to return letter of the assistant treasurer, New York, dated the 18th instant, handed to me by you yesterday, in regard to the issue of clearing-house certificates made payable to the order of the assistant treasurer at New York for convenience in paying balances to the clearing-house.

The language of section 5193, Revised Statutes, is that the United States notes shall be received "from any national banking association," which has always been construed to apply only to national banks and not to members of the clearing-house.

The arrangement suggested in the letter could hardly reduce the amount of United States notes paid out by the assistant treasurer, which is regulated by the demand, and whatever amount was not supplied by the payment of balances to the clearing-house would be required in redemption of the clearing-house certificates to be issued.

I should think that the five thousand dollar and ten dollar greenbacks recently issued would be suitable for the purposes desired.

I have the honor to be, very respectfully, your obedient servant,
JAS. GILFILLAN, *Treasurer United States.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

Mr. Sherman to Mr. Atkins.

TREASURY DEPARTMENT, *February* 21, 1879.

Hon. JOHN D. C. ATKINS,
Chairman Committee on Appropriations, House of Representatives:

SIR: I have the honor to inclose herewith the draft of a bill, the passage of which I recommend, either as a separate bill or as a section to an appropriation bill.

Since the first of January the subscriptions to the 4 per cent. loan have been upwards of two hundred and thirty two millions, and the various operations connected with the refunding of the national debt have taxed to the utmost all the employés of the department who have been engaged thereon, and will continue to during the remainder of the present fiscal year.

The duties to be performed are such as require the unremitting attention of the most experienced and expert clerks and other officers in the department, and such employés have labored outside of and in addition to the regular office hours, so as to have in effect almost doubled the results of the offices having charge of refunding operations.

Under the circumstances I deem it justice to them that they be paid an additional reasonable compensation for their extra services, and I hope that you will be able to insert it as a section in some one of the appropriation bills now before Congress in which it will be appropriate.

I am, very respectfully, JOHN SHERMAN, *Secretary.*

No. 913 *a.*

[Inclosure to Mr. Sherman's letter of February 21 to Mr. Atkins.]

That section 170 Revised Statutes of the United States be so modified that the Secretary of the Treasury be, and hereby is, authorized, during the present fiscal year, to pay, out of the appropriation for refunding the national debt, a reasonable additional compensation to the clerks of his department who are actually employed upon the refunding of the national debt in addition to the usual business hours.

No. 914.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, February* 22, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: We have in London $1,000,000 called 5-20 bonds, which we desire to apply in reduction of our coin liability on account of 4 per cent. bond subscriptions.

Will you please instruct Mr. Conant, by telegraph, to receive from Messrs. McCulloch & Co. $1,000,000 called bonds for account of First National Bank, New York, and to inform you by cable when they are deposited with him; and thereupon will you direct the assistant treasurer United States at New York to release us a corresponding amount of other collateral?

The called bonds so received to be canceled and forwarded to your department as a part of our collateral, for redemption, and credit to our account in due course.

Yours, very respectfully, H. C. FAHNESTOCK, *V. P.*

No. 915.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, February 22, 1879.

DEAR MR. SECRETARY: I had the honor on the 17th instant to receive a cable message from you, as follows: "You may deliver to Raphael & Co. the $3,600,000 4 per cent. coupon bonds, receiving any United States called bonds as collateral security. Can have 4 per cent. coupon bonds, one thousands, shipped by Feb'y 22d."

On Wednesday last, the 19th, I made the exchange of bonds with the Messrs. Raphael, receiving from them $2,370,450 in called 1867s maturing after April 17, which I send to you in the dispatch-bag to-day.

On the 18th instant I sent a cable message addressed to you, as follows, viz:

I suggest shipment of $10,000,000 4 per cent. bonds February 22 I think (they) will be wanted. I cannot persuade Rothschild and Sons (to make) call at the present time. They desire Secretary of the Treasury (to) send me 4 per cent. bonds, and they will subscribe for $1,000,000 as required, instead of by $5,000,000 calls.

Messrs. Rothschild claimed that under the terms of the contract they could subscribe for any amount, provided the aggregate of their subscriptions amounted to $5,000,000 per month; but they do not expect a call to be made on their account unless their subscription is for five million dollars. They think that the price of 4 per cent. bonds in New York will be much lower in April, or perhaps earlier, because they believe that gold must be shipped from that point against the large amount of government and other securities that have been sent there for payment; and therefore they do not wish to subscribe for the bonds in excess of the sales they make of the same.

I sent a cable message to you on the 19th instant, of which the following is a copy: "Rothschild, N. M., & Sons, subscribe for two millions to-day on account of 4 per cent. coupon bonds, to be sent March 1. Raphael & Co. collateral and 5-20 called bonds will be sent Saturday next. Shall collateral be canceled." The two million subscribed cover, as I understand it, sales of 4 per cents. Sales were made yesterday and on the previous day, but I do not know the amount. The parties have assured me that there is no doubt but that they will want the $10,000,000 soon.

I feel quite sure that if business had been commenced here, with bonds on hand for delivery, with the beginning of the calls of the 1867s, at least twenty-five million of the 4 per cents would have been placed before now. There are other people besides the Messrs. R. who think that there must soon be a shipment of gold from New York, and that it will at once lower the price of bonds. Mr. Raphael said to me a few days ago that he had no doubt about shipments of gold being made from New York. I was told to-day by a banker that on account of the rise in Erie Railway stock, and the American speculation in it, at least seven million dollars of it had been sold here and sent to America since January 1. Our 5 per cent. funded has also advanced in New York beyond the market here. Yesterday it was worth there $104\frac{5}{8}$, equivalent to $107.30 here, while the price here was $106\frac{3}{4}$, to which would be added, on account of sales for New York, $\frac{1}{16}$ commission and 15 days' interest. Should exchange go to the shipping point, it would reduce the price of 4 per cent. bonds here to $99\frac{1}{2}$ or less.

I have made inquiries concerning the amount of called and other bonds that have been sent from here to New York since January 1 last, and have come to the conclusion that of the called and other United States bonds, about $43,000,000 have been sent home; and of Erie and other railway stock, say $7,000,000. Against this the syndicate have placed $10,000,000 four per cent. bonds here; and I believe that at least $15,000,000 in addition, in 4 per cent. United States bonds and railroad stocks, have been sold and sent here from home. If this estimate be approximately correct, then the balance against us on account of bond operations must be somewhere about $25,000,000. There is a prospect that the value of money will soon be lower here. On account of large payments into the Bank of England on revenue account, that institution

temporarily controls the situation; but when the money now locked up shall again be put upon the market for legitimate use, the rates of interest must be reduced. The cash reserve in the bank is now £17,005,000, the highest amount ever known when the rate was at 3 per cent.; and the bullion on hand is now £31,863,992, against £24,730,793 last year. I can see no reason why we should not make moderate sales of 4 per cent. bonds in this market. The Messrs. Rothschild have recently negotiated an Egyptian loan of £8,400,000. There are no new loans being offered at the present time, although a new Russian loan is talked of. I have also to acknowledge the receipt of your cable message of the 19th, as follows: "I have received your cable of to-day. Four per cent. coupon bonds will be sent March 1. Cannot be done sooner. Send me as soon as possible collateral received from Raphael & Sons"; and your message of the 20th, as follows: "Raphael & Co., collateral must be canceled." The reason why I made inquiry concerning the cancellation of the collateral was, that it occurred to me that if the parties paid gold into the Treasury against it, it would become their property, and they might wish to withdraw it for use; besides, I did not think there was much risk in sending it in the dispatch-bag. I shall write again on Tuesday in regard to silver and some other matters.

I have the honor to be, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 916.

Ninetieth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

TREASURY DEPARTMENT,
Washington, D. C., February 24, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 24th day of May, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867:

$50—No. 90001 to No. 100000, both inclusive.	
$100—No. 160001 to No. 180000, both inclusive.	
$500—No. 93001 to No. 100000, both inclusive.	
$1,000—No. 158001 to No. 176000, both inclusive.	
Total coupon	$13,000,000

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the* 1st *day of July*, 1872:"

$50—No. 3221 to No. 3240, both inclusive.	
$100—No. 23501 to No. 23620, both inclusive.	
$500—No. 11451 to No. 11520, both inclusive.	
$1,000—No. 44201 to No. 44400, both inclusive.	
$5,000—No. 14001 to No. 14350, both inclusive.	
$10,000—No. 25301 to No. 26950, both inclusive.	
Total registered	7,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 917.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *February* 24, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 22d instant is received.

Upon reflection and consideration of the existing contract with Messrs. Rothschild and others, I am compelled to decline your proposition that the department receive called bonds in London on account.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 918.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, February 24, 1879.

SIR: It is well understood, both here and at the department, that a large proportion of our transfers of bonds at present are made because the holders desire to place them beyond the reach of an expected call. Frequently bonds received for such transfers are immediately required to be returned to the department for the purpose of avoiding a later call, and thus there is a constant stream of bonds in transitu, not for any legitimate object connected with refunding, but for the plain and avowed object of shifting off on the public an inconvenience or loss, whatever it may be, which the corporations and individuals resorting to the practice should accept for themselves. There may be no way of putting a stop to the practice, but as the department can have no desire to encourage it, and as it involves an enormous amount of additional labor on this office for no useful purpose, I propose hereafter, if you do not object, to decline to forward bonds where the object is clearly to avoid calls, always, of course, permitting the depositor to withdraw such collaterals as he may choose on substituting others of equal value, but putting the work of examining and scheduling where it properly belongs. If you approve of this plan, I will thank you to advise me by telegraph to-morrow.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

The Hon. JOHN SHERMAN, *Secretary.*

temporarily controls the situation; but when the money now locked up shall again be put upon the market for legitimate use, the rates of interest must be reduced. The cash reserve in the bank is now £17,005,000, the highest amount ever known when the rate was at 3 per cent.; and the bullion on hand is now £31,863,992, against £24,730,793 last year. I can see no reason why we should not make moderate sales of 4 per cent. bonds in this market. The Messrs. Rothschild have recently negotiated an Egyptian loan of £8,400,000. There are no new loans being offered at the present time, although a new Russian loan is talked of. I have also to acknowledge the receipt of your cable message of the 19th, as follows: "I have received your cable of to-day. Four per cent. coupon bonds will be sent March 1. Cannot be done sooner. Send me as soon as possible collateral received from Raphael & Sons"; and your message of the 20th, as follows: "Raphael & Co., collateral must be canceled." The reason why I made inquiry concerning the cancellation of the collateral was, that it occurred to me that if the parties paid gold into the Treasury against it, it would become their property, and they might wish to withdraw it for use; besides, I did not think there was much risk in sending it in the dispatch-bag. I shall write again on Tuesday in regard to silver and some other matters.

I have the honor to be, with great respect, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 916.

Ninetieth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

TREASURY DEPARTMENT,
Washington, D. C., February 24, 1879.

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$1,000—No. 158001 to No. 176000, both inclusive.	
Total coupon	$13,000,000

REGISTERED BONDS,

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$1,000—No. 44201 to No. 44400, both inclusive.	
$5,000—No. 14001 to No. 14350, both inclusive.	
$10,000—No. 25301 to No. 26950, both inclusive.	
Total registered	7,000,000
Aggregate	20,000,000

The amount *outstanding*, included in the numbers above, is twenty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 917.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *February* 24, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 22d instant is received.

Upon reflection and consideration of the existing contract with Messrs. Rothschild and others, I am compelled to decline your proposition that the department receive called bonds in London on account.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 918.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, February 24, 1879.

SIR: It is well understood, both here and at the department, that a large proportion of our transfers of bonds at present are made because the holders desire to place them beyond the reach of an expected call. Frequently bonds received for such transfers are immediately required to be returned to the department for the purpose of avoiding a later call, and thus there is a constant stream of bonds in transitu, not for any legitimate object connected with refunding, but for the plain and avowed object of shifting off on the public an inconvenience or loss, whatever it may be, which the corporations and individuals resorting to the practice should accept for themselves. There may be no way of putting a stop to the practice, but as the department can have no desire to encourage it, and as it involves an enormous amount of additional labor on this office for no useful purpose, I propose hereafter, if you do not object, to decline to forward bonds where the object is clearly to avoid calls, always, of course, permitting the depositor to withdraw such collaterals as he may choose on substituting others of equal value, but putting the work of examining and scheduling where it properly belongs. If you approve of this plan, I will thank you to advise me by telegraph to-morrow.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

The Hon. JOHN SHERMAN, *Secretary.*

No. 919.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, February 24, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 20th instant, together with copy of a letter from the Treasurer in relation to the use of currency certificates in the payment of our balances at the clearing-house, which is herewith returned.

In reply to your inquiry, whether the new issue of United States notes of the denominations of $5,000 and $10,000 would not answer the same purpose as the certificates, I am inclined to think they would in point of convenience, but not in point of safety, the distinction being that the notes, like all others, are payable to bearer, whilst the certificates require the indorsement of a bank, and, if lost or stolen, could not be used. It is the greater safety of the certificates that has led to their substitution in place of notes by all the clearing-house banks in the payment of their balances, which aggregate daily four or five millions of dollars. If the balances due from this office (averaging daily half a million) were paid in the same way, it would obviate whatever risk there may be in the daily transfer of so large a sum in notes. Since the recent robbery of a messenger of one of the banks on his way to the clearing-house, it can hardly be claimed that such a thing may not occur again at any time.

As to legal right of this office as a member of the clearing-house to use the certificates in the manner indicated, that, of course, is a question to be decided by the Secretary.

I beg leave to say, however, that whilst the provisions of the act of 1872, as incorporated in the Revised Statutes, may justify the views of the Treasurer, an examination of the law as originally passed, and of the object and purpose as expressed in the title, and as stated in the debates in Congress when the bill was under consideration, may lead to a different construction. At any rate, it is plain that the certificates were intended to be used for clearing-house purposes, and it having been decided that this office could lawfully become a member of such an association, it is difficult to see why it may not also lawfully avail itself of a privilege open to all other members. If the objection is against the issue of the certificates in the first instance, except to national banking associations, they could be procured through transfers from such associations, as they now are by State banks that are members of the clearing-house.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 920.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *February* 25, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Begging reference to our respects of the 13th and 14th instant, with which we communicated to you Messrs. Rothschild's request to be allowed to pay for 4 per cent. bonds under the contract of

the 21st January in all called bonds, we have to-day learned that your department has recently conferred upon the national banks the privilege asked for by the Messrs. Rothschild; that is to say, to make payment in any called bonds and to receive credit therefor, with the full interest, to the maturity of the respective calls.

We presume that now that the facility in question has been granted to the banks, there can be no objection to so far modify the conditions of our contract as to allow the same also to the Messrs. Rothschild, and we, therefore, take the liberty to renew their application. Messrs. Rothschild place much value upon this facility, and we have no doubt but that it would give an impetus to subscriptions by the London syndicate, and enable it to meet the competition of outside parties.

We beg to recommend the matter to your earnest attention, and in case of a favorable consideration, request you will kindly instruct Mr. Conant by cable, and also advise us by wire.

We remain, very respectfully, yours,

Per pro. AUGUST BELMONT & CO.
W. LUTTGEN.
W. BEUTER.

No. 921.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *February* 25, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of the 24th instant, proposing to decline to receive bonds for transfer when the manifest intent is simply to evade a call, is received and approved.

As you have probably noticed in the newspapers, I have directed that on and after the 1st of March next no transfers of registered bonds of the loan of 1867 will be made. It may be necessary to modify or limit this order, but the general design is, if the sales continue freely, to call in the balance of the registered bonds of that issue early in March.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 922.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *February* 26, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Your letter of the 25th instant, asking that the privilege recently conferred upon national banks to make payment for four per cent. bonds with any called bonds be extended to the Messrs. Rothschild is received.

I have to reply that no such facility has been granted to any national bank, nor to any one, that will enable payment on a subscription to four per cent. bonds to be made with any called bonds that mature after the ninety days following the subscription.

Called bonds maturing within that time will be received as money in payment of four per cent. bonds, but no others.

Interest will be allowed on such called bonds to the maturity of the call.

It may be that the error into which you have fallen, arises from the fact that any called bonds are received as collateral.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 923.

Treasurer United States to Mr. Sherman.

TREASURY OF THE UNITED STATES,
Washington, February 26, 1879.

SIR: Referring to my letter of the 20th instant, in regard to the issue of clearing house certificates payable to the order of the assistant treasurer at New York, for convenience in paying balances to the clearing-house, I desire to say that, upon reconsideration of the subject, as section 5193 Revised Statutes provides that such certificates shall be in such form as you may prescribe, I am of the opinion that it would be a full compliance with the law if the assistant treasurer should be empowered by you to make all clearing-house certificates payable to the order of the assistant treasurer of the United States at New York, and when issued by him made payable by his indorsement to any national banking association by name, desiring them, or, when used in payment of balances to the clearing-house, made "payable to the order of any national banking association, member of the New York clearing-house." This would be consistent with the practice in force in the issue of gold certificates of large denominations, which were made payable to a person in the assistant treasurer's office, and when issued were indorsed by him in blank.

In my letter of the 20th instant, I merely intended to convey the impression that it would not be well to issue the certificates payable directly, in some instances to national banking associations, and in others to the assistant treasurer, but if they are uniformly made to the assistant treasurer. all objection, in my opinion, would be obviated.

I have the honor to be, very respectfully, your obedient servant,

JAS. GILFILLAN, *Treasurer United States.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 924.

Mr. Sherman to Mr. Morrill.

TREASURY DEPARTMENT, *February* 27, 1879.

Hon. JUSTIN S. MORRILL,
Chairman Committee on Finance, United States Senate:

SIR: In our conversation yesterday I learned from you that a proposition would probably be made to shorten the duration of the call for bonds in the process of refunding the public debt.

Such legislation was recommended by me in my annual report, but Congress not acting, on the 1st of January I issued the circular herewith inclosed, and on the 21st of January made a contract with a foreign syndicate for the sale of bonds in London, based upon existing law, by which I stipulated for ninety days within which subscriptions should be paid to meet calls for 5-20 bonds.

This circular and contract apply only to the refunding of the 5-20s, and does not apply to the 10-40s or any subsequent bonds. I inclose a copy of a letter to Hon. H. C. Burchard, member of the Committee of Ways and Means, House of Representatives, which will state more fully the objections to any change of the duration of the call during the existence of this contract.

The amount of 5-20s now uncalled is about $95,000,000, and they will probably be absorbed during the month of March. I have, therefore, to request that whatever legislation may be deemed best as to the duration of calls in refunding shall not apply to the outstanding 5-20 bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 925.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, February* 27, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: The question is asked here to-day, and we will thank you to answer it, whether called bonds will be redeemed and credited to subscribing banks at par and interest to maturity, without reference to the dates of subscriptions in payment of which they are applied. The letter of Treasurer United States to this bank and others, dated 24th instant, would seem to answer the question affirmatively. But under this construction a bank that subscribed on January 1 for an amount of 4 per cents, undertaking to pay for them on or before April 1st, might pay, for example, in 90th call bonds at par and interest to May 24th, thus practically having nearly five months' credit upon the subscription. Is this a correct understanding of the Treasurer's letter?

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 926.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *February* 28, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 27th instant, inquiring whether called bonds received in payment of subscriptions to the 4 per cent. loan will be credited to subscribing banks at par and accrued interest to maturity of calls, without reference to the date of the subscription in payment of which they are applied, and stating that a letter addressed to your bank

on the 24th instant, by the Treasurer United States, appears to answer the question affirmatively, has been received.

In reply thereto I have to say that the Treasurer's letter is not explicit as to the particular subscriptions to which the proceeds of any remittance of called bonds will be applied, but under the rule of the department the proceeds of bonds called will be applied in the payment of only those subscriptions made at or subsequent to the date of the call in which the bonds are embraced, interest to be allowed to the maturity of the bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 927.

Mr. Sherman to Treasurer of the United States.

TREASURY DEPARTMENT, *February* 28, 1879.

Hon. JAMES GILFILLAN, *Treasurer of the United States:*

SIR: In the adjustment of the accounts of the several bank depositaries holding deposits on account of subscriptions to the funded loan, the proceeds of bonds called will be applied only in the payment of subscriptions made at or subsequent to the date of the call in which the bonds are embraced. Interest to be allowed to the maturity of the bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 928.

Mr. Sherman to Mr. Windom.

TREASURY DEPARTMENT, *February* 28, 1879.

DEAR SIR: My attention has been called to the amendment to the sundry civil bill, proposed by your committee, to strike out that clause which allows the department to pay, during the balance of this fiscal year, clerks and employés for extra time which the extraordinary rapidity of the refunding of the public debt has made it necessary to employ them. I feel quite sure, if the reason for this proposition were understood, the Senate would readily accede to it.

By reason of the very large subscriptions, we have been compelled to keep experienced employés from twelve to fourteen hours in constant labor. None but skilled and trustworthy persons are available for this purpose. We cannot improvise a force that could be trusted with the delicate duties of the Loan Division.

The section of the act referred to in the bill forbids under all circumstances the allowance of extra compensation except by the consent of Congress, and such consent has been asked for when the necessity required it.

No stronger case could possibly arise for a temporary suspension of the excellent general provision contained in the Revised Statutes. Unless we can secure the services of experienced employés the process of refunding will be delayed, and in this way the loss would be many times greater than any allowance for extra compensation.

I will see that this discretionary authority is carefully exercised and not abused.

I hope, therefore, the committee will see the importance of adopting the House provision with such modification as may seem best.

Very respectfully, JOHN SHERMAN, *Secretary.*

Hon. WM. WINDOM,
Chairman Committee on Appropriations, United States Senate.

No. 929.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *February* 28, 1879.

Messrs. AUGUST BELMONT & Co., *New York City:*

GENTLEMEN: I am in receipt of your letter of the 27th instant, inclosing copy of Treasurer's letter to one of the national banks concerning the application of called bonds to the payment of subscriptions made through national bank depositaries.

The letter of the Treasurer is not explicit as to the particular subscription to which the proceeds of any remittance of called bonds will be applied, but under the rule of the department the proceeds of bonds called will be applied in the payment of only those subscriptions made at or subsequent to the date of the call in which the bonds are embraced, interest to be allowed to the maturity of the bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 930.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *February* 28, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We notice that the Committee of Ways and Means of the House of Representatives have reported a bill limiting the time for which notice shall be given for the redemption of called bonds before interest thereon shall cease, to thirty days, and leaving the Secretary of the Treasury no discretion in the matter.

As this bill, if it becomes a law, is calculated to inflict great hardship upon the national banks and bankers who have been earnestly co-operating with the department in the sale of the 4 per cent. bonds, we beg leave to respectfully ask your attention to this fact, and to suggest whether the hardships and loss which the House bill in its present shape would cause to those who have been acting upon the faith of the existing rule, and of the announcements heretofore made from your department, cannot be averted by such amendments to the bill, by the Senate, as you might suggest to the Finance Committee. In respect to the justice and propriety of such modifications of the bill, we beg leave to submit the following considerations, viz:

As you are aware from the records of the department, the national banks, and the private bankers who, through the national banks, have been active in the sale of 4 per cent. bonds, are large holders

of uncalled five-twenty bonds of 1867 and 1868, which have been deposited with the Treasury Department as security for the moneys placed to the credit of the government upon subscriptions for 4 per cent. bonds. The five-twenties so held have been for the most part taken by them in exchange for 4 per cents, upon the faith that they would run for ninety days after being called in, at prices which would leave them but a small commission on the business if the five-twenties should run for that time, and at which they should be subjected to serious loss if the five-twenties were to be called in with but thirty days' notice. We think it is not too much to say that the facilities and inducements which have thus been offered by the national banks, and by private bankers subscribing through them, to holders of five-twenties to exchange them advantageously for 4 per cents before they were called in, have had a very large and important influence in promoting the recent very rapid sales of the 4 per cents.

There may have been, and there doubtless was, in the minds of the Committee of Ways and Means, an impression that the banks and bankers engaged in selling 4 per cent. bonds, and in exchanging them for five-twenties, realized a profit on such transactions equal to the interest for the ninety days for which the latter are allowed to run, and the proceeds of the 4 per cents to remain on deposit with the national banks. You are, doubtless, better informed on this point, and fully aware that such is not the case. The fact is that these exchanges have been made upon so close a basis of calculation, relative to the future accruing interest on the five-twenties, that the original holders who have sold them to the banks and bankers in exchange for 4 per cent. bonds have realized a large proportion of ninety days' future-accruing interest, thus leaving the bankers, who have assumed all the risk and labor of the business, but a very moderate margin of profit provided the ninety days' interest is realized, and subjecting them to serious loss if the five-twenties still remaining uncalled should be called in upon thirty days' notice. To the inducement and advantage thus offered to the holders of five-twenties, we believe the success of funding at the remarkable rate at which it has progressed during the last two months has been largely due. We should judge that a large proportion of the uncalled five-twenties, or at least a large percentage of them, are now concentrated, by virtue of such exchanges, in the ownership of the banks and bankers who have thus taken them in exchange for 4 per cent. bonds, and by whom they are deposited with the department against their subscriptions for the latter, where they are likely to remain until called in and redeemed, and that they are thus already virtually funded on the basis of the hitherto existing rule of allowing ninety days' notice before interest shall cease after call. As these five-twenties have been taken in exchange on the faith of this rule, and at prices based upon it, it would seem to be an injustice to those who have thus co-operated with the department in refunding the debt to subject them to call upon thirty days' notice. In view of the foregoing considerations we would respectfully suggest whether the existing rule ought not to remain in force until all the five-twenties have been called in, and any new rule contemplated by peresent legislation made to apply only to other classes of bonds to be called in thereafter. We take the liberty of writing to you on this subject because we presume that a suggestion from you to the Finance Committee of the Senate would secure such modifications in the House bill as would prevent the hardships which, in it present form, it is calculated to inflict; and because we have supposed that a bill in a different form would be more in accordance with your own views and previous recommendations.

Very respectfully, yours, FISK & HATCH.

No. 931.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, March 1, 1879.

DEAR MR. SECRETARY: In my letter of the 15th ultimo, I alluded to a scheme which had been proposed to advance the price of silver in the interests of India, the particulars of which have now been given to the public. A memorial has been prepared and is now being presented to bankers, merchants, *et al.*, trading with the east, for their signatures. It represents that the present low rate of exchange has been caused partly by the large masses of silver thrown on the market by Germany, and partly by the drawings of the India council in England on the Indian Government for its expenditure in England, and partly by the fear that the proportions between gold and silver will increase. The opinion is then expressed that these causes would be greatly mitigated, and in a great measure counteracted by the adoption of certain suggestions, viz:

1st. That the drawings of the Indian council should be reduced, say £5,000,000 per annum for each of two years; and an equal amount, £10,000,000, should be borrowed temporarily in England to provide for the requirements of the Indian Government.

2d. That as the means for the payment of the present drawings, together with the loss incurred by the exchange, are provided for in the Indian budget as a part of the annual expenditure, the amount being raised in England as proposed would enable the Indian Government to apply the amount thus provided for to paying off an equal amount of the rupee debt in India.

3d. The immediate effect of the measure proposed would be to raise the exchanges, relieve the market from the incubus of the German supply of silver, and consequently of the loss occasioned by the drawings; and at a later period, with a revival of trade, the loan it is proposed now to raise could be repaid from India by a slight increase of the yearly drawings of council bills.

The memorialists then state that the estimated amount of silver which it is thought the German Government can sell, is now set down as about £10,000,000 sterling; it is, however, imagined that an increased coinage (in Germany) will be necessary, and that if sales of, say half the above amount, or £5,000,000, were made, the German Government would decline to part with the rest. The Indian bills will average about £17,000,000 sterling per annum.

The price of silver has declined within a few days, and on yesterday it could be purchased at 49⅞*d.* per ounce. Gold bars, fine, are worth 77*s.* 9*d.* per ounce standard. United States gold coin would bring 76*s.* 3⅞*d.* per ounce, and German gold coin 76*s.* 3¼*d.* per ounce.

The chancellor of the exchequer has asked Parliament for a vote of credit of £1,500,000 to defray the cost of carrying on the Zulu war in South Africa; and for a vote of about £354,000 for supplementary civil-service estimates. He has also asked for votes to cover £2,750,000 in exchequer bonds falling due on March 16 next, issued on account of a deficiency arising in 1878, and which he proposes to reissue. The returns up to last Saturday of the revenue from customs, excise, and stamps show a falling off of £371,000, as compared with the previous year; and the chancellor of the exchequer states that the revenues for the current fiscal year may fall short of the estimated revenue by something under a million; and that the expenditures, without reference to the £2,700,000

(vote to cover maturing exchequer bonds) which belonged to the last fiscal year, would, exclusive of the supplementary estimates (the civil-service £350,000), and the vote of credit (£1,750,000 for carrying on the war), exceed what might now be expected to be the revenue by something like three million sterling. Two million of this deficiency was met in August last by the issue of exchequer bonds, and the house will be requested to grant authority for the issue of one million two hundred thousand more. For the two years, 1877–'78 and 1878–'79, the deficiency in the revenues will amount to from five and three-quarters to six and one-quarter millions sterling. The present amount of the unfunded debt of Great Britain is £24,661,000; of which amount £14,458,000 is in exchequer bonds, £4,497,000 in exchequer bills, and £5,770,000 in treasury bills; but of the £14,458,000 exchequer bonds, £11,708,000 are in the hands of the national-debt commissioners; so that, deducting that sum from the total, the floating debt is shown to be £12,953,000.

The amount represented by treasury bills, being borrowed for short periods, say, two, three, and six months, must be liquidated as it falls due, and the debt renewed at rates of interest varying according to the condition of the market.

A great many difficulties are always to be met with in managing a floating debt of this kind. It is at all times a disturbing element in the money market. One million five hundred thousand sterling of treasury bills were placed on the market yesterday, through the Bank of England. The government borrowed money on them at the rate of 2 per cent. for six months' bills, and $2\frac{7}{16}$ per cent. for three months' bills.

The discount quotation for 60 days to 3 months' bank bills, $2\frac{3}{4}$ per cent.; 4 months, $2\frac{3}{4}$ to $2\frac{7}{8}$ per cent.; 6 months, $2\frac{7}{8}$ per cent.; and for trade bills for 3 months it is 3 per cent., and for 6 months it is $3\frac{1}{2}$ per cent. These rates indicate an expected easy money market here; in fact, everything is tending in the direction toward it. All the exchanges are now in favor of this country. All the apprehensions that existed some months ago, that the stock of gold here would be depleted by shipments to America have long since ceased. Now it is confidently expected that gold will be brought here next month from New York. This change has been brought about to a great extent by the sales of foreign stocks held here. Our own people are buying large amounts of American stocks in this market. The return of the Bank of England shows an increase in the total reserve for the week of $1\frac{5}{8}$ per cent., the proportion of reserve to liabilities having then reached 48 per cent. The bullion now stands at £32,000,000, and it is said that it is £2,000,000 in excess of the notes in the hands of the public.

The dividends of some of the large lines of railways are payable next week, the amount of the same being stated at £2,400,000. Banks are now allowing 2 per cent. interest to depositors.

The bank rate in Paris is 3 per cent. and the market rate 2 per cent. The bank now has in bullion £82,454,000, and its outstanding notes are £90,811,000. The rate of the Imperial Bank of Germany is 4 per cent. The open market rates are: at Frankfort, $2\frac{1}{4}$ per cent.; at Hamburg, 2 per cent.; at Brussels, $2\frac{3}{4}$ per cent. The Imperial Bank has on hand, in coin and bullion, £26,685,000, and its note circulation amounts to £27,801,000. At Vienna, the bank rate is $4\frac{1}{2}$ per cent. and the open market rate 4 per cent.

The Austrian National Bank holds coin and bullion amounting to £16,237,000, while its outstanding note circulation is £27,736,000. The bank rate at Amsterdam is $3\frac{1}{2}$ per cent.

There has been of late, and even for some time past, considerable dis-

cussion, quite an amount of speculation, as well as a great deal of uneasiness felt, in regard to the course the French Government would adopt concerning the conversion of the five per cent. rentes into a three per cent. stock. Rumors have been periodically circulated during the past year that Mr. Léon Say, minister, favored such a conversion, and would bring forward a measure looking to its accomplishment. Within the present week many of the holders of the rentes have been alarmed by the renewed rumors relative to their conversion, and have parted with their holdings at a sacrifice of four per cent. The large proportion of these rentes are in the hands of the French people, although a great many are held here; and, to prevent a condition of affairs which might, if allowed to run, produce disastrous financial results, the minister was compelled on yesterday to make an official statement to the effect that the conversion would not be attempted at present. About thirty-four million francs would be saved annually by the conversion, but it might render the republic unpopular.

It is said that the holders of these rentes claim that to change the rate of interest would be a violation of faith on the part of the government, and that it has no legal or equitable right to do it. If such a feeling really prevails throughout the country, it is reasonable to suppose that any attempt at conversion would create a bitter opposition to the government. These rentes were issued at about 80 per cent., and the price now is 111.45. They were not issued as a *bond* naming a principal sum of indebtedness, nor as a certificate of government indebtedness on principal account; and no promise is made as to any time of redemption; in fact, they represent no debt to be liquidated. They are simply a sheet of coupons, renewable on the payment of the last one by the issue of a new sheet, and pass by delivery like a coupon bond or a legal-tender note. In the center of a sheet of these coupons, which I examined, a certificate is printed as follows:

The director of the inscribed debt certifies that the bearer is entitled to a rente (an annuity) of three hundred francs, with interest from 16th May, 1877. Paris, 30th May, 1877.

Coupons attached payable 16th May, August, November, and February. It seems to be apprehended that the holders of these rentes may object to a reduction in the annuity which they are promised, and therefore sell their stock in quantities so large as to depress the market and prevent the conversion at once into a four per cent. stock. For that reason it is said that the minister may advocate a reduction to 4½ per cent. for a few years, and then a conversion at the rate of four per cent.

The Messrs. Rothschild have recently negotiated an Egyptian loan of £8,400,000 sterling, bearing interest at the rate of 5 per cent., the issue price being 73 per cent. This loan is secured by a mortgage on the Daira lands, part of the resources of Egypt. The mortgage contains a stipulation, that in order that the holders of the stock may have a guarantee that the income of these lands will be properly applied to the purpose of defraying the charge of the loan, one Englishman and one Frenchman should be designated by their respective governments, who should be held responsible for the proper application of the revenues derived from these lands. The appointment of the two persons was made. The English and French governments, at the present time, absolutely control the Egyptian finances. Egypt is a debtor to Great Britain on account of the purchase of shares in the Suez Canal, and in other matters. The complaints made by the French and English bondholders caused an investigation to be made under the auspices of the two governments, and

by private parties, as to the ability of the Egyptian Government to pay the interest due on its bonds, &c. The commission of inquiry reported that the revenues of Egypt, if properly administered, would be sufficient to meet its expenses, but that a new system of administration was necessary. The two governments suggested to the Khedive the propriety of his paying the interest due on his debts; that it would be proper for him to diminish his expenditures on palace buildings, and in certain other respects, made for his own advantage; and said to him that they did not wish to put any pressure upon his people, but that he personally must bear the burden. The Khedive finally decided to act upon the suggestions of the commission, and to make the sacrifices which had been pointed out. In addition to all the revenues derived from the ordinary taxes of the country, he received the income from the Daira lands—certain lands, the private property of himself and family. These lands he surrendered to the state, and also all his other possessions, and agreed to receive an allotment, or salary, from the civil list.

He appointed a Mr. Rivers Wilson, an Englishman holding an office under the British government, his minister of finance; and Mr. Wilson made the negotiations for the loan I have referred to.

But slight transactions have taken place in the market here, during the current week, in our 4 per cent. consols. The high price of New York exchange embarrasses the operations of the syndicate. It reduces the price of 4 per cent. bonds here to the price which the syndicate pay you, or within a fraction of it, while it sends up the price of called bonds. I hope to see a change soon.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 932.

Form of circular letter addressed to depositary banks.

TREASURY DEPARTMENT, *March* 1, 1879.

CASHIER, ——— *National Bank:*

SIR: To avoid the delay in the redemption of called bonds, of which a large amount will mature in April and May next, you are informed that the department will receive at once any called bonds you may be pleased to transmit, and will apply the proceeds to the payment of any subscription made by you at or subsequent to the date of the call in which the bonds are embraced, interest to be allowed to the maturity of the bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 933.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *March* 1, 1879.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Can we subscribe to 4 per cents, under circular January 25, and have immediate settlement, with uncalled bonds, ninety days' interest allowed?

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 934.

Mr. Sherman to Bank of New York National Banking Association.

[Telegram.]

TREASURY DEPARTMENT, *March* 1, 1879.

R. B. FERRIS, *Cashier, New York:*

Telegram received. Such a subscription and exchange as you propose will be received. JOHN SHERMAN, *Secretary.*

No. 935.

Mr. Sherman to Messrs. Fisk & Hatch.

TREASURY DEPARTMENT, *March* 1, 1879.

Messrs. FISK & HATCH, *New York:*

GENTLEMEN: Your letter of the 28th ultimo is received.

The views stated by you of the proposed legislation as to shortening the period of the call for bonds conform to those I entertain and have expressed to the Committee on Finance of the Senate.

I have taken the liberty to send to the chairman of that committee a copy of your letter as a fair statement of the view taken by dealers in government securities.

In any event, the new law could not affect either the calls outstanding or subscriptions made prior to the approval of the act, and I do not think it is expedient to change the duration of the calls of the 5-20s.

The circular of January 1, under which the banks and bankers are acting, ought to be continued until the 5-20s are refunded. I have recommended that any shortening of the call shall apply only to the refunding of the 10-40s and subsequent bonds, and not to the 5-20s.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 936.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 1, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: I wired you to-day asking if we could make subscription to 4 per cent. funded loan, under your circular of January 25, making payment therefor in uncalled United States 5-20 bonds, being allowed ninety days' interest from date of subscription on such uncalled bonds; if not in so many words, this was the intent of my telegram, to which I have your reply "that such subscription and exchange will be received."

Such subscriptions—and on this point I would like further information, as the assistant treasurer here has no instructions—can be made in the usual way, the 4 per cent. bonds being sent to the assistant treasurer here for delivery, on deposit with him of the '67s uncalled, to be

cancelled by him and forwarded to the loan division as called bonds. It must occur to you that it would be almost impossible to furnish the numbers of the uncalled bonds at the time of the subscription, as they might be called before the 4 per cents were delivered.

Yours, truly, R. B. FERRIS, *Cashier.*

No. 937.

Mr. Sherman to Mr. Morrill:

TREASURY DEPARTMENT, *March* 1, 1879.

Hon. JUSTIN S. MORRILL,

Chairman Committee on Finance, United States Senate:

SIR: You will observe that the action of the House on the bill No. 6516, shortening the period of the call without excepting the 5-20 bonds in the process of refunding, has suddenly clamped our sales like a vise.

Yesterday the sales amounted to only $196,500, and to-day to $183,600, while the average during the month of February was between $3,000,000 and $4,000,000 a day, including Sundays, or $90,101,750 in all. I call your attention to this in the hope that you may be able in any provision of law upon this subject to except from this sudden change the remainder of the 5-20 bonds, now amounting to $92,000,000, and for which a call of ninety days is expressly stipulated for by my circular of January 1, and by the contract of January 21 with the syndicate.

In the debate on the passage of this bill in the House Mr. Hewitt made some criticism on my paying what he called double interest, and praised Secretary Bristow for selling bonds at a rate sufficient to save this interest.

I am very willing to have Secretary Bristow praised, but I desire to inform you that the bonds he was selling were the balance of the five per cents, which were then at a premium, which he sold at the best rate he could, which was sufficient to cover the accruing interest. I did the same in the sale of the 4½ per cent. bonds.

But the four per cent. bonds could not be sold upon these terms, and it was considered by everybody except Mr. Hewitt a very marvelous thing to sell so many of them on the terms of my circular. I could find no banker who would advise it.

I placed the four per cent. bonds on the market on the present terms against prophecies of failure by the leading bankers of New York.

If Congress, in the month of December, had shortened the period of the call, according to the recommendation in my report, I should have heartily approved, but now that I have issued a circular and made a contract in strict pursuance of law, covering the whole of the 5-20 bonds based upon a call of ninety days, it will be a very serious breach of faith to violate it and might affect the validity of existing subscriptions not yet paid for.

As to the sale of the 4 per cents for refunding the 10-40s, I am very willing to undertake it on calls running from ten to thirty days, and merely suggest that some little discretion as to the length of each call should be left to the department.

I inclose a copy of a letter from Messrs. Fisk & Hatch, large dealers in government securities, showing the view taken by them of the subject-matter of this letter.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 938.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *March* 3, 1879.

R. B. FERRIS, *Cashier Bank of New York National Banking Association, New York, N. Y.:*

SIR: Referring to your letter of the 1st instant, respecting the exchange of United States uncalled 5-20 bonds for the 4 per cent. consols of 1907, upon the terms set forth in department circular dated January 25, 1879, you are advised that 5-20 bonds intended for exchange, under the circular above referred to, must be forwarded to this department for that purpose.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 939.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *March* 3, 1879.

CONANT, *London:*

You are authorized to cancel 5-20 called bonds on account of First National Bank New York, taking numbers and returning them to McCulloch.

Party with bonds has sailed by steamer City of Brussels.

SHERMAN.

No. 940.

The Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE, *Washington, March* 3, 1879.

The Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: I have the honor to inclose herein for your information and consideration a copy of dispatch numbered 119, from the consul-general of the United States at Frankfort, in relation to American and German finances.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

[Inclosure: Mr. Lee to Mr. Seward, No. 119, February 10, 1879.]

No. 119.] UNITED STATES CONSULATE-GENERAL,
Frankfort, February 10, 1879.

Hon. F. W. SEWARD, *Assistant Secretary of State:*

SIR: It is currently reported that the German Parliament will shortly be requested to vote a loan of seventy million marks to cover a deficit of that amount in the revenues of the Imperial exchequer. The total

amount of the Prussian deficit is estimated at seventy-eight million marks, and that also must be covered by a loan. This last is a deficit occasioned mainly by expenditures for railways; the former is a deficiency to meet current expenses.

These facts are, no doubt, already known to the department. They are mentioned, therefore, only as pertinent to one or two observations which seem to be germane to these dispatches.

The deficits which have been mentioned and the additional burdens to which they must give rise, must strikingly suggest to an American the contrast between the present financial condition of his country and that of one of the greatest and most enviable powers of the European continent. For not only is the Government of the United States not borrowing money to pay expenses, but it is paying its debt at an unexampled rate. Not only are we not obliged like Germany to look about for new sources of revenue in order to cover deficits and provide for increased expenses, but our present sources of revenue produce a surplus, and expenses, instead of being increased, are diminished. Not only are we not buying more abroad than we sell, but we are selling immensely more than we buy. Not only is our currency not depreciated and fluctuating like that of Austria, Russia, or Italy, but, like that of Germany and Great Britain, it is equivalent to gold, and affords that fixed measure of value which is the primary basis of commercial prosperity.

Altogether, these things can be said, I believe, of no other country in the world at the present time, and, so far as can be judged from a continental standpoint, it may well be doubted whether in any other country labor is so diversified and so well rewarded or traffic so remunerative as at the present time in the United States. These things can be seen better abroad, perhaps, than at home, and hence the occasion for submitting these observations to the department, and at the same time suggesting that the people of our country can in nowise better realize how fortunate they are than by contrasting their financial and commercial condition with that of the most powerful and most prosperous countries of the Old World.

In this connection it may be incidentally mentioned that the continual calling in of our bonds for redemption, which is now taking place, has obliged many German holders to seek other investments, and that all other good American stocks have consequently advanced about 10 per cent. in this market. A direct and immediate benefit has, therefore, accrued from the improved financial condition of our country to all railway, city, State, and other reliable corporations of the United States whose securities have been negotiated in Germany. These securities are now generally worth about 10 per cent. more in this market than they were anterior to the resumption of specie payments. Before resumption there was scarcely any demand for such securities, however good; now, there is an active demand for them, and the price, as has been stated, has greatly improved.

It may also be said in this connection, that but for the prospective loans which will soon be offered by the Prussian and Imperial Governments, the 4 per cent. bonds of the United States would probably now be taken liberally in this market. The national German 4 per cent. obligations are selling here at about 96 per cent., and the home purchasers lose no discount on the coupons. This makes a margin of from two to two and a half per cent. in favor of the German bonds over the 4 per cents of the United States, supposing the two to be equally good. Nevertheless, it is the opinion of some of the most far-sighted financiers

of Frankfort that our 4s will very soon be taken here in considerable quantities.

I am, sir, your obedient servant,

ALFRED E. LEE, *Consul-General.*

No. 941.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *March* 3, 1879.

Hon. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York, N. Y.:

SIR: In the matter of issuing clearing-house certificates in payment of balances due from your office to the clearing-house, referred to in your letters of the 18th and 24th ultimo, I have to state that I see no objection to your issuing, for the purpose mentioned, such certificates payable to the "order of any national banking association member of the New York Clearing House," provided an equal amount of United States notes be set aside for their redemption as provided by law.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 942.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *March* 4, 1879.

Hon. CHAS. F. CONANT,
In Charge of the Agency for Refunding the National Debt,
London, England:

SIR: I have to acknowledge the receipt of your letter of the 15th ultimo, covering receipts for the delivery of $3,949,200 four per cent. consols to Messrs. N. M. Rothschild & Sons. Also of your letter of same date respecting the terms upon which the $3,600,000 were to be delivered to Messrs. Raphael & Co. This point was covered by my cable of the 15th ultimo.

Yesterday I cabled you as follows: "You are authorized to cancel 5-20 called bonds on account of First National Bank, New York, taking numbers and returning them to McCulloch & Co. Party with bonds has sailed by steamer City of Brussels." You will make schedules of all called bonds handed you by Messrs. McCulloch & Co. on account of the First National Bank of New York, and transmit said schedules to this department. The bonds, after having been passed through the perforating machine in your office, for the purpose of destroying their negotiability, will be returned by you to the parties presenting them, to be by them forwarded to the owners through the regular channels.

Inclosed please find some additions to the cipher, which may be used, if required, as soon as received by you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 943.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *March* 4, 1879.

F. O. FRENCH, Esq., *First National Bank, New York, N. Y.:*

SIR: I have to inform you that, as requested in your letter of the 28th ultimo, Mr. Conant has been instructed by cable to receive from your agents in London certain United States 5-20 called bonds (which are ultimately to be paid into the Treasury by your bank on account of its subscriptions to the 4 per cent. consols of 1907) for the purpose of destroying their negotiability by passing them through the perforating machine in his office.

After taking their numbers for transmittal to the department the bonds will be returned to your agents, who are to forward them to you through the regular channels.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 944.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *March* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: A good deal of discussion is, as you are aware, going on in financial circles as to what effect the settlements by depositary banks for subscriptions to the four per cent. loan will have upon the money market; grave complications being, for obvious reasons, anticipated if settlements are to be made as customary heretofore.

The following suggestions are respectfully submitted, in the belief that their acceptance by you would entirely remove any possible difficulty which might arise from the settlements referred to, and we trust that you will take them into consideration:

1. The Treasurer be authorized to receive from depositary banks called bonds *of any maturity*, and credit proceeds in full upon any uncalled deposits of any depositary bank sending such called bonds for redemption. It is true such a course would practically amount to the redemption of called bonds in full ahead of their maturity, but as you have reserved yourself the right to call any of your deposits made with the depositary banks on account of subscriptions to the four per cent. bonds at any time, you are fully protected against any emergency.

Secondly, we would suggest that deposits on account of four per cent. subscriptions should not be withdrawn from the banks in anticipation of the maturity of any of the calls, as has been the practice heretofore, but that such deposits shall be withdrawn from time to time only *after* a certain amount of called bonds has been redeemed by the Treasurer, say whenever the Treasurer has paid out, on account of such matured calls, the sum of $25,000,000, an equal amount of deposits to be called.

Asking the favor of a reply, we remain, honorable sir,

Yours, very respectfully, KUHN, LOEB & CO.

No. 945.

The Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE, *Washington, March* 4, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: I have the honor to transmit herewith, for your information, a copy of dispatch No. 928, dated February 12, from the consul-general at London, in which the department is advised that there exists dissatisfaction among certain holders of five-twenty bonds of the issue of 1867 with the rapidity with which the government is refunding its debt at a lower rate of interest, and that it is the purpose of such holders to demand payment of their called bonds in coin.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Inclosure: Copy of dispatch No. 928 from consul-general at London.

No. 928.] UNITED STATES CONSULATE-GENERAL,
London, February 12, 1879.

Hon. ASSISTANT SECRETARY OF STATE, *Washington, D. C.:*

SIR: I have the honor to report that I have this day been informed that great dissatisfaction exists in commercial circles here at the calling in of the five-twenty bonds of 1867, the holders of large amounts considering that their interests are injuriously affected by the large withdrawal which it is now the policy of the government to make, and stating that it is their intention to draw the entire amount of their bonds in gold and bring the specie to England, hoping by this course to drain the United States of gold to such an extent that the government will be unable to meet the demand and compelled to interrupt the call. As this intention, if carried out, may affect, if not control, the operations or plans of the Treasury, it seemed to me proper to communicate it at once to my superiors.

I am, sir, very respectfully, your obedient servant,

ADAM BADEAU, *Consul-General.*

No. 946.

Concerning the issue of four per cent. bonds, consols 1907.

1879.
Department No. 33.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., March 4, 1879.

Notice is given that, when the outstanding five-twenty six per cent. bonds of the United States are covered by subscriptions to the four per cent. consols, the latter will be withdrawn from sale upon the terms proposed by department circular of January 1, 1879, and upon the terms stated in the contract with the Messrs. Rothschild and others, of the date of January 21, 1879.

The amount of five-twenty six per cent. bonds outstanding, and not embraced in calls to this date, is $88,079,800.

When this sum is covered by subscriptions under the existing circular and contract all further sales of four per cent. consols, to provide for the refunding of the ten-forty five per cent. bonds, will be made upon terms which will probably be less favorable to the purchaser, and in accordance with new proposals and contracts.

This notice is given so that all parties wishing to subscribe for consols upon the terms stated in the circular and contract may have an opportunity to do so until the five-twenty bonds are called.

JOHN SHERMAN, *Secretary.*

No. 947.

Ninety-first call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

TREASURY DEPARTMENT,
Washington, D. C., March 4, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "Five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the fourth day of June, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1867:*

$50—No. 100001 to No. 105000, both inclusive.	
$100—No. 180001 to No. 195000, both inclusive.	
$500—No. 100001 to No. 104000, both inclusive.	
$1,000—No. 176001 to No. 185000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872:"

$50—No. 3241 to No. 3250, both inclusive.	
$100—No. 23621 to No. 23650, both inclusive.	
$500—No. 11521 to No. 11550, both inclusive.	
$1,000—No. 44401 to No. 44500, both inclusive.	
$5,000—No. 14351 to No. 15100, both inclusive.	
$10,000—No. 26951 to No. 27730, both inclusive.	
Total registered	3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 948.

Mr. Sherman to United States depositary, Tucson.

TREASURY DEPARTMENT, *March 4, 1879.*

C. H. LORD, Esq.,
United States Depositary, Tucson, Arizona:

SIR: Referring to your letter of the 13th ultimo, in which you report that the amount of gold coin in your office is steadily increasing, and

request authority to pay it out on disbursing officers' checks, &c., you are hereby authorized, until further advised, in making payments upon currency obligations presented at your office, to pay out gold coin to such an amount in each case as the holder of the obligation may desire and you may find convenient.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 949.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *March* 6, 1879.

RICHARD B. FERRIS, Esq.,
Cashier Bank of New York,
National Banking Association, New York:

SIR: Your letter of the 4th instant, in which you complain of the order prohibiting, on and after the 1st of March, the transfer of registered bonds of the loan of 1867, is received.

I have to inform you that this order became necessary on account of the frequent transfer of these bonds made to avoid calls. To remedy this, it was my purpose to call the balance of these bonds, amounting to about $28,000,000, at once, but to avoid this discrimination between the registered and coupon bonds it was deemed better to issue the order referred to.

If in a particular case it shall cause serious inconvenience, it will be waived.

The transfer mentioned by you will be made upon our books on your statement that it was made in ignorance of the order.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 950.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *March* 7, 1879.

Hon. CHARLES F. CONANT,
In charge of the Agency for Refunding the Public Debt,
London, England:

SIR: I inclose herewith for your information a copy of a printed public notice, issued by me on the 4th instant, concerning the issue of the 4 per cent. consols and their withdrawal from sale on the terms at present offered to the public and to the contracting parties when the outstanding five-twenty 6 per cent. bonds shall have been covered by subscriptions to said 4 per cent. bonds.

Copies of this notice have been transmitted to the several firms representing the parties to the contract of January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 951.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *March* 7, 1879.

Messrs. AUGUST BELMONT & Co.,
(On behalf of Messrs. N. M. Rothschild & Sons and associates and themselves):

GENTLEMEN: Herewith I transmit a copy of a printed public notice concerning the issue of 4 per cent. bonds, consols of 1907, issued by me on the 4th instant, from which it will be seen that when the outstanding five-twenty 6 per cent. bonds of the United States are covered by subscriptions to the 4 per cent. consols the latter will be withdrawn from sale under the terms of the contract with yourselves and associates of the date of January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 952.

Mr. Sherman to Messrs. Drexel, Morgan & Co.

TREASURY DEPARTMENT, *March* 7, 1879.

Messrs. DREXEL, MORGAN & Co.,
(On behalf of Messrs. J. S. Morgan & Co., of London, and themselves):

GENTLEMEN: Herewith I transmit a copy of a printed public notice concerning the issue of 4 per cent. bonds, consols of 1907, issued by me on the 4th instant, from which it will be seen that when the outstanding five-twenty 6 per cent. bonds of the United States are covered by subscriptions to the 4 per cent. consols the latter will be withdrawn from sale under the terms of the contract with yourselves and associates of the date of January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 953.

Mr. Sherman to Messrs. Seligman & Co.

TREASURY DEPARTMENT, *March* 7, 1879.

Messrs. J. AND W. SELIGMAN & Co.,
(On behalf of Messrs. Seligman Brothers, of London, and themselves):

GENTLEMEN: Herewith I transmit a copy of a printed public notice concerning the issue of 4 per cent. bonds, consols of 1907, issued by me on the 4th instant, from which it will be seen that when the outstanding five-twenty 6 per cent. bonds of the United States are covered by subscriptions to the 4 per cent. consols the latter will be withdrawn from sale under the terms of the contract with yourselves and associates of the date of January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 954.

Mr. Sherman to Messrs. Morton, Bliss & Co.

TREASURY DEPARTMENT, *March* 7, 1879.

Messrs. MORTON, BLISS & CO.,
(On behalf of Messrs. Morton, Rose & Co., of London, and themselves):

GENTLEMEN: Herewith I transmit a copy of a printed public notice concerning the issue of 4 per cent. bonds, consols of 1907, issued by me on the 4th instant, from which it will be seen that when the outstanding five-twenty 6 per cent. bonds of the United States are covered by subscriptions to the 4 per cent. consols the latter will be withdrawn from sale under the terms of the contract with yourselves and associates of the date of January 21, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 955.

Mr. Hynes to Mr. Sherman.

166 EAST 34TH STREET, NEW YORK, *March* 8, 1879.

Hon. JOHN SHERMAN:

DEAR SIR: I am glad to see the four per cent. bonds meet with so much favor from the people; still, more than two-thirds of them know nothing of them whatever, for the reason that the name of bonds is something that they cannot understand or comprehend. About one year ago I subscribed, through the Treasury, for $150 worth, and when I received them in due time I showed them around to the different men who are employed with me. I was questioned and cross-questioned, and, having satisfied them all, they then wanted to know how to proceed to get them. I had to write you for blanks and then fill them out and go through all the necessary forms to put them in ship-shape. They received their bonds and are perfectly satisfied with their investment, the whole footing up $3,100. I belong to a temperance organization which had four hundred dollars lying idle in a savings bank. I talked the matter up, and in time we purchased four consols, amounting to $400, making $3,500 in all for my labor. Now, sir, I served my country in the late rebellion for two years and a half as a private soldier and was honorably discharged and have been in my present employment (in one place) for the past thirteen years, but, sir, I am ready to give up the place and associations connected therewith if I can serve my country to advantage by going from house to house and from place to place, bringing to the people personally circulars and blank forms, and explaining to them the advantages and security of the United States bonds over all other investments. I would not call on the men who have thousands of dollars, but on poor hard-working men and women who have their small earnings deposited either in some half-wrecked bank that is trying to tide over, or in some church which pays them interest if it can, and, when there is no money to pay with, puts them off till some can be collected. These are the people who should be bondholders, and when they are, no greenback, secesh, commune, or any other tribe can move them from their allegiance to the government, as their interest is there, and I believe there are to-day thou-

sands of dollars stowed away by people afraid to put their savings into banks. The crisis in Cincinnati will cause a stampede amongst another lot of people who have always made the church a bank, and, as they already had lost faith in savings banks, what are they to do?

Now, sir, I have penned these thoughts for your kind consideration. Give them the benefit of your sound judgment and write me a line, if it is only that I may know you have read them and thought kindly of a young man who thinks that the only salvation of the country is to pay its honest debts and make its own people the custodians of its bonds.

Yours, respectfully,

M. J. HYNES.

P. S. Please send me any pamphlets you may have to spare, as I have hard times with Greenbackers.

No. 956.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, March 8, 1879.

SIR: There is no better indication of the rapid progress of refunding than the accumulation of our collaterals, which, with the 4 per cent. bonds undelivered, amount, as you will see from our daily reports to the department, to over $140,000,000. We have been obliged to give up all the floor rooms and a large proportion of the compartments in our west vault to make room for them. It will be gratifying to you to know that under the constant supervision of Mr. White, who devotes almost all his time to the business, everything thus far has gone on smoothly, and in the few instances where questions have arisen it has generally been found that we were right. My chief solicitude is for the safety of such a vast amount of property, in addition to the public funds. It is frequently necessary to keep the vault open until late in the evening for the purpose of counting, examining, and classifying the securities, and selecting such of them as are to be transferred to the department, for which there is no time during the day. It is true we have a force of five watchmen on guard at such times, in addition to the clerks assisting Mr. White, and all persons not connected with the office are excluded, except representatives of the banks depositing the securities; but with all these safeguards, it is such an innovation on the usual practice of closing the vaults at the close of business that I am disquieted whenever the necessity arises. There is, however, no way of avoiding it, and perhaps after all the danger is more imaginary that real.

There is a good deal of speculation in the papers, as well as in business circles, as to the probable effect on the money market of the settlements to be made in April, during which month, if I am not mistaken, about $150,000,000 of calls will mature. It is now seen, however, that the investment demand for the 4s is much larger than was anticipated by many; and the subscribing banks will be therefore less likely to find themselves loaded with large amounts which they cannot dispose of. It would not be strange in the closing of such vast transactions if there should be some stringency, but with the favorable indications, that the public are taking the bonds freely, and with the power of the Secre-

tary in various ways to facilitate the settlements, it can hardly be more than temporary.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 957.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, March 8, 1879.

DEAR MR. SECRETARY: I was very glad indeed to receive your note of the 15th ultimo, the contents of which have been duly noted, and your wishes expressed therein in regard to called bonds have been made known to the Messrs. Rothschild.

On the 3d instant, I had the honor to receive a cable message from you as follows: "You are authorized to cancel 5-20 called bonds on account of the First National Bank of New York, taking numbers and returning them to McCulloch & Co. Party has sailed to-day by steamer City of Brussels."

In accordance with these instructions, I have during the current week received, canceled, scheduled, and returned to Messrs. McCulloch & Co. $750,000 in called bonds (loan of 1867), maturing at different dates. They will send me the same amount during next week. The transaction is one I do not understand, as the message conveys no information explanatory of it. * * * I have called on all the members of the syndicate several times within the past few days, and have urged them very strongly to push the sales of the bonds here. I have persistently tried to persuade them that they ought to conduct the business with far more energy, and I have said to them that at the time the contract was entered into, representations were made to you that 50,000,000 of the 4 per cent. consols could be disposed of on this side of the Atlantic, and that as they had undertaken the business they should not disappoint you. I have represented to them the importance of preventing the shipments of gold from New York, and that you supposed that the sales of bonds which you expected they would make would prevent such shipments.

They answer that the price of bonds in New York at the present time embarrasses operations here.

One of the associates informed me yesterday that he had been offered a lot of $250,000 4 per cent. consols, to be delivered here on the first of April, at a price equivalent to 99½. * * *

The competition here in the sale of bonds is very sharp, but after all it is to a great extent through the work of the syndicate that the market is made.

The Messrs. Rothschild were offered yesterday a lot of 400,000 4 per cents. for delivery April 1, by a broker, but I did not learn the terms. They say that the New York offerings are injuring the market here, but it may be only ephemeral.

On Tuesday next I hope to receive the $10,000,000 bonds now in transit, and expect to deliver 3,000,000 of them as soon as they arrive.

The Messrs. Rothschild hope for a better market next week. The feeling which I alluded to in my last letter, that when the time arrives

for the settlement of the large subscriptions made in New York and elsewhere at home the market will be found overloaded, and that a fall in price will take place, still exists here, and has the effect of causing certain classes of investors to delay making purchases, which they will ultimately make. I have not hesitated to say to the associates here that when refunding operations shall have been completed the 4 per cent. consols will soon thereafter go to a premium, and good reasons can be given why such should be the case.

I have taken some pains to inquire in regard to the amount of the new English loans or securities which are offered in the market here each year by railway companies for improvements, extensions, &c., of their lines, by boards of public works for local improvements, &c., which affords an opportunity for the investment of accumulating capital, and I find that on an average it is about £20,000,000 sterling. A dividend is guaranteed on nearly all of such securities, averaging from 4 per cent. to 4½ per cent. In this connection, I will mention the fact that railway companies in the kingdom do not set apart any portion of each year's earnings as a reserve fund on which to draw for purposes of defraying expenses of renewals of stock, &c., and extension of lines, but that the practice is to distribute the earnings as dividends, and when money is required for the purposes mentioned it is obtained by a new issue of capital stock. One of the associates who expected to dispose of quite a little amount of 4 per cent. bonds in Manchester, against called 5-20 bonds held there, was quite disappointed to find that the holders of the bonds intended to invest the proceeds in stocks to be issued for constructing new water-works, which would pay a dividend of about 4½ per cent.

A return has just been issued by the "board of trade" of "bills" for railways, tramways, and other undertakings to be presented at this session of Parliament. The new railway capital amounts to £19,388,000; but it is considerably less than the amount proposed last year. The new tramway capital mentioned is £2,752,000, nearly double that of last year. The total is £29,968,000, being £12,295,000 less than the sum proposed last year.

A new loan for the colony of Victoria is now offered in the market of £3,000,000 sterling on account of railways. It is in the form of a debenture, bearing interest at 4½ per cent.—redeemable in 1904—and to be issued at 98 per cent.

An attempt is also being made in different quarters to negotiate a loan for Russia of £60,000,000 sterling, on a pledge of certain revenues, but it is predicted that it will fail.

The Berlin Börsen-Zeitung of last Monday's issue urges the German Government to coin £5,000,000 sterling of the *old* silver, which, it says, is one-half of the amount still to be withdrawn from circulation into small change which, it claims, is needed, and can be kept in circulation as *token money marks.*

It says further, that in so doing great loss can be saved to the government, and without any interference with the plan of currency reform. The total new gold coinage of *Germany* is as follows:

	Marks.
Gold double crowns	1,250,539,960
Gold crowns	404,938,250
Gold half crowns	27,969,145

of which 364,129,150 marks were coined on private account.

The board of trade returns for the month of February show a decline in both the *exports* and *imports.*

The value of the *exports* (home production) was £12,713,089, against £14,893,320 for the corresponding period of last year, a decrease of 14¾ per cent. The imports were valued at £28,661,080, against £32,175,177 last year, a falling off of 10¾ per cent.

The value of money has fallen during the week fully ¼ per cent., and it is predicted that rates of interest will be lower still, and that there is to be a period of cheap money. The stagnation in trade and dullness in business generally both tend to reduce the value of money.

The money which was called into circulation on account of the failure of the Bank of Glasgow is being returned to the Bank of England. All the foreign exchanges are now in favor of this country, and so long as that shall continue to be the case the bank will continue to accumulate gold.

In my next letter I shall mention the amount of expenditures on account of the agency here.

With great respect, I remain your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 958.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, March 8, 1879.

SIR: In submitting for your consideration (February 18) a suggestion of the manager of the New York clearing-house that, instead of canceling the certificates of deposit authorized by the act of June 8, 1872, when presented for redemption, we should use them in the payment of our balances at the clearing-house, it seemed to me (owing to the fact that these balances greatly exceed in amount the certificates redeemed) that it would not accomplish the object in view, and I therefore proposed as the only effective plan, that "we should issue the certificates to the office the same as to a bank, in any amounts required for clearing-house purposes, in exchange for equal amounts of United States notes to be transferred from our stock on hand to the deposit for the redemption of the certificates." As you state in your letter of the 3d instant that you see no objection to the plan, provided the certificates are made payable to any national banking association member of the New York clearing-house, and an equal amount of United States notes be set apart for their redemption, we shall be prepared to carry it out, as you are already advised in my letter of the 5th instant, so soon as a few necessary arrangements with respect to details are settled with the managers.

It has since occurred to me, and I beg leave to submit it as an additional suggestion, that if we could also reissue certificates presented from time to time for redemption, with the like proviso as to setting apart an equal amount in United States notes, it would be useful as an auxiliary measure by reducing the amount of new certificates required, and preventing the waste from canceling such as are fit for use. With respect to coin certificates, the power to reissue, although not expressly granted in the act, has always been held by the department to be an incident of the power to issue. On comparing sections 254 and 5193 of the Revised

Statutes, I cannot see that in this particular the currency certificates are placed on any different footing, but I shall await the decision of the department on this point before proceeding further.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 959.

Mr. Sherman to Mr. Morton.

TREASURY DEPARTMENT, *March* 8, 1879.

DEAR SIR: You no doubt have received the formal notice in regard to the sale of 4 per cent. bonds to cover the 5-20s. This was made necessary by the changes of the loan since the date of your contract and by the ten-dollar-certificate bill. I thought it but fair to call the attention of all parties concerned to the fact that all existing contracts based upon the refunding of the 5-20s would necessarily be at an end when those bonds were covered by subscriptions, which, in the ordinary course, will occur some time in April.

Hoping soon to see you here in your new vocation,

I am, very truly, yours, JOHN SHERMAN.

Hon. L. P. MORTON, *New York.*

No. 960.

Mr. Sherman to Mr. Hynes.

TREASURY DEPARTMENT, *March* 10, 1879.

Mr. M. J. HYNES, 166 *East Thirty-fourth street, New York:*

DEAR SIR: Your letter stating your experience in placing the 4 per cent. bonds among your fellow-workmen has given me greater satisfaction than would the sale to capitalists of a million dollars. The distribution of our public securities among the mass of the people who have some savings laid by for future necessities is of the highest importance, not only because it begets the habit of saving, but because it places in the hands of those who must govern the country an interest in preserving its credit. It would be well if the entire debt was scattered in small sums among the producing classes of our people.

The 4 per cent. bonds thrown open to public subscription have been more generally distributed than any class of public securities; and we are now about to issue ten-dollar certificates, bearing 4 per cent. interest, which may, if desired, be registered for greater safety; and I trust they will soon be held by half a million of our people.

If I was authorized by the law I would gladly avail myself of your services in the sale and distribution of these certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 961.

Mr. Sherman to the Postmaster-General.

TREASURY DEPARTMENT, *March* 10, 1879.

Hon. D. M. KEY, *Postmaster-General:*

SIR: I have the honor to invite your attention to the inclosed circular, and to the law therein referred to, authorizing the issue of refunding certificates.

It is a matter of public interest to cause a general distribution of these certificates and to bring them within the easy reach of every person in the United States. If the suggestion meets your approval I should be pleased to have two officers of your department to be designated by you, at a time agreeable to them, to meet the Treasurer of the United States and the chief clerk of this department, to confer as to the best mode in which your department can aid in this service.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 962.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *March* 10, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States New, York:

SIR: Your letter of the 8th instant, is received. The only way in which you can meet the extraordinary business caused by the refunding operations is by increased caution and care. I have entire confidence in you and Mr. White, though while so much is at stake we must all feel more or less anxiety.

It is very important to hurry forward all called bonds, so that there shall be no delay in making the proper credit or payment.

If these bonds are in the possession of the department some days before they mature such delay will be prevented and the possibility of contraction avoided.

The Treasurer and I will see that the banks are not called upon for payment much more rapidly that the bonds are presented for redemption, so as to avoid as far as practicable, anything like stringency.

The average of redemptions each day during the months of April and May will be about $5,000,000.

It is, therefore, very important that the called bonds be transmitted, wherever possible, at least three or four days before they mature.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 963.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *March* 11, 1879.

CONANT, *London:*

Deliver to Rothschild $75,000 4 per cent. consols paid for here.

SHERMAN.

No. 964.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *March* 11, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 10th, in which you express the opinion that the new certificates should be convertible only into $50 bonds and that no commission should be allowed, is received. Both these points were fully considered before the circular was issued.

Without some commission there would be no inducement to postmasters and other persons to sell these certificates. The object of their issue was not merely to refund the debt, but to disseminate and scatter it among a great multitude of people, a national object of the highest importance. The law would not permit such a discrimination as would be made by allowing them to be converted only into $50 bonds. After the 5-20s are covered by subscriptions, I shall rely chiefly upon the sale of certificates for refunding the 10-40s, and will have two years for the conversion of less than $200,000,000.

If Congress does not shorten the period of the call, I will make calls in advance of sales of certificates, and require the payment of the purchase money within thirty days, so as to avoid the loss of so much interest.

I may be mistaken in regard to the importance of these certificates, but if so it will not be an inadvertence, but an error of judgment.

There are some matters in respect to refunding about which I would be glad to converse with you some time this week.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 965.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *March* 11, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: A very general apprehension has been growing up in financial circles here, during the last fifteen or twenty days, and is now rapidly gaining ground that the settlements by the national banks with the Treasury Department, in April and May, for the large subscriptions for four per cent. bonds made in January and February, will occasion serious disturbance and embarrassment in the money market. The extent of this apprehension is evidenced by the fact that inquiries, estimates, and prophecies on the subject form a common topic of discussion in the Stock Exchange, the street, and the offices of bankers and financial institutions, and are influencing the action of holders of government bonds and parties having investments to make, to a degree that is becoming every day more apparent; and to this is due, to a large extent, the fact that the market price of the four per cent. bonds is now so much below the subscription price, and the recent falling off in the volume of sales.

The apprehension referred to is based on the theory that the national

banks will be drawn upon by the Treasury Department for the amounts of their several subscriptions at the expiration of ninety days after the date of each respectively; that these dates and amounts do not correspond with and offset the dates of maturity and amounts of called bonds; that, while the whole amount due the Treasury for four per cent. bonds at or within certain periods, will thus have to be paid into the Treasury and withdrawn from the market, similar or equal amounts of called bonds will not be presented for payment at corresponding periods, and that, therefore, a certain percentage of the money paid in by the banks will be locked up in the Treasury for greater or less periods of time. The amount of the subscriptions made in January and February is so large that a very small percentage of the whole, in the difference between the the payments made by the banks (if rigidly called upon to pay in the amount of each subscription at the expiration of ninety days in each case) and the concurrent credits and disbursements by the government for called bonds, would seriously affect the money market in the present low condition of the bank reserves, and in connection with the increased activity in the demand for money from commercial causes which usually occurs at the season when the settlements between the Treasury and the banks would be the heaviest. Reference to the fact that the settlements with the Treasury by the various syndicates and by the national banks heretofore have not caused any serious disturbances in the money market, though often predicted, does not serve to allay the apprehension felt at the present time, or to answer the arguments and predictions of alarmists, for the reason that the amounts involved in the approaching settlements are so enormous and unprecedented that, as it is said, their effect cannot be judged from any experience of the past.

That the power to verify or to disappoint these prophecies of evil consequences to the money market, and through it to the dawning prosperity of the general business interests of the country, lies almost entirely in your hands, is universally felt and acknowledged; and the strongest argument that has been or can be brought, in answer to the arguments and figures of those who insist that violent results must accompany the settlements in April and May, is the sagacity and intelligence which have characterized your methods in dealing with similar problems in the administration of your department heretofore.

While we believe that you fully appreciate the situation in the present instance; that the approaching settlement can readily be accomplished without any disturbance to the money market whatever; and that you will have both the disposition and the intelligence to secure that result, we beg leave respectfully to submit one or two suggestions for your consideration.

While it is true that to a large extent the purchasers of four per cent. bonds and the original holders of called five-twenties were not the same, and while it is true also that the amounts and dates of the subscriptions to the four per cents and the amounts and dates of the various calls of five-twenties do not correspond, and that, consequently, considerable embarrassment might result from a literal and mechanical application of a rule requiring the banks to make payment in full for each subscription exactly ninety days after its date and allowing the application thereon of called bonds which had matured only, it is true, on the other hand, that a large proportion of the maturing called bonds will have accumulated in the hands of the banks and bankers by whom the principal subscriptions have been made, and that the intervals between the dates at which the subscriptions become payable and those at which the called bonds mature can be bridged over without the transfer of

money to any great extent, and without loss either to the government or to such holders of called bonds.

To this end we would suggest that the forthcoming settlements can be anticipated to a large amount and their proportions reduced to such an extent as to remove all apprehensions concerning them long before their actual dates, by a rule permitting the national banks to apply at any time towards the payment of balances held by them to the credit of the government any called bonds, with interest to maturity, without reference to the correspondence of dates between the subscriptions and the calls. Such a rule could not result in any embarrassment to the Treasury, for the reason that for every bond called it has an equal amount of money on deposit somewhere, available for its payment. It could not result in any loss of interest to the government, for the reason that interest will ultimately be paid on all the called bonds to the date of their maturity and the proceeds of the sales of four per cents will lie idle either in the banks or in the Treasury until applied to the payment of called bonds.

Our own case will illustrate. We have subscribed through the Continental Bank of this city for $13,773,900 four per cent. bonds, the dates of the various subscriptions being from January 4 to February 17. We have already forwarded to the department through them for credit on account of our subscriptions, $2,863,400 in called bonds, embraced in the various calls from the 76th to the 89th. We have now on hand (mostly on deposit in the sub-treasury as security in the name of the Continental Bank) over $5,000,000 in called bonds embraced in the various calls from the 76th to the 91st. We hold in addition (also for the most part in the Treasury as above) nearly $5,000,000 in five-twenty bonds not yet called, so that nearly the whole amount of our subscriptions is covered by five-twenties called and uncalled, the application of which, as they are called in, to the settlement of our subscriptions, without strict regard to correspondence in dates, would effect the settlement of the whole without the disturbance of a dollar in the money market.

We should be glad to forward for credit at any time the remainder of the called bonds held by us as above which, with the amount already forwarded would settle considerable more than one-half (nearly three-fifths) of the amount of our subscriptions to date.

Permit us to suggest in conclusion, that if you should feel at liberty to make some official announcement to the public, or communication to the national banks, of your purpose to make such arrangements in respect to the approaching settlements, that no disturbance of the money market will be caused thereby, such a declaration would go far to remove existing apprehensions on the subject, and to encourage continued purchases of four per cent. bonds on the part of investors and institutions who are now withholding their investments in expectation of lower prices as the result of anticipated stringency in the money market.

Very respectfully, yours, FISK & HATCH.

No. 966.

Mr. Morton to Mr. Sherman.

NEW YORK, *March* 11, 1879.

MY DEAR SIR: Many thanks for yours of the 8th, just at hand. The price for 4 per cent. bonds has given way in consequence of an ap

prehension that the settlement for the previous sales will cause a stringency in the money market. I have expressed the opinion to our friends here that no disturbance would arise, and that you would only call in as before, money from the banks about as needed to meet payments for called bonds. If some assurance of this kind can be given I think it would have a good effect upon the market and relieve the anxiety of banks and bankers.

Yours, very truly, L. P. MORTON.

Hon JOHN SHERMAN, &c., &c., *Washington, D. C.*

No. 967.

Chase National Bank, New York, to Mr. Sherman.

CHASE NATIONAL BANK,
New York, March 11, 1879.

SIR: It appears to us that if the ten dollar 4 per cent. certificates are to have anything like a popular run nothing should be omitted to place them in the hands of the banks, bankers, and brokers of the country *promptly*, and as this city is the real distributing point for securities, we suggest an arrangement as follows:

1st. Place the certificates in ample amounts in the sub-treasury here subject to subscription from time to time by this bank and to be delivered on the deposit of bonds by us of an amount equal to the certificates lifted from time to time.

Stipulate if you please that not less than ten or twenty thousand dollars shall be lifted at a time.

2d. Arrange with the express companies to carry packages of the certificates from this bank at government rates, the express companies to settle with the Treasury the same as though the packages were shipped from Washington, we furnishing the receipts.

We will carry on this business, giving to all purchasers the same commissions the government would give, paying the expenses of advertising and distributing (not including express charges), and making our profit on the deposit of the money.

We will agree to issue circulars to all banks and bankers in the country, and ship the packages on the day of the receipt of the orders, and ship packages on telegraphic orders in anticipation of the money as far as we can safely do so.

If our proposition meets with your approval we should be pleased to hear from you in the matter.

Very respectfully, ISAAC W. WHITE, *Cashier.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington D. C.

No. 968.

Treasurer United States to Mr. Sherman.

TREASURY OF THE UNITED STATES,
Washington, March 11, 1879.

SIR: I have the honor to return herewith letter of the assistant treasurer at New York, dated the 8th instant, referred by you, with request for my views in writing, upon the proposition contained therein, that

he be permitted to reissue clearing-house certificates received at his office.

I understand that he has been authorized by you to issue clearing-house certificates payable to the order of "any national banking association, member of the clearing-house," and I suppose that the assistant treasurer's proposition refers to certificates so issued.

I see no objection to the reissue of such certificates by him when but one indorsement has been placed thereon. My understanding is that these certificates when presented for redemption will of course be indorsed by some member of the clearing-house, and it would not be well to pay them out again if they bore several indorsements; therefore I recommend that his proposition be approved by you with the restriction that clearing-house certificates may be reissued when they shall bear but one indorsement.

Very respectfully,

JAS. GILFILLAN,
Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 969.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 12, 1879.

SHERMAN, *Washington:*

Party has arrived safely. CONANT.

No. 970.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *March* 12, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: I have received a number of letters from bankers and dealers in government securities expressing apprehension that this department will call upon the national bank depositaries for the very large sums to meet the calls of six per cent. bonds maturing in April and May in advance of their actual presentation for payment, thus producing at a busy season of the year the hoarding of money in the Treasury in advance of its need for such payment.

The fear is expressed that such hoarding will interfere with the current business of the country, and I am appealed to to relieve the public from this apprehension.

It is not the purpose of the department to call the money deposited with public depositaries into the Treasury except as it is needed for the payment of called bonds. The great body of these bonds is now in the possession of the government, and their payment will be made by a simple credit. The apprehension, therefore, is, in a great measure, groundless, but you may give assurance to all interested that the proceeds of the four per cent. bonds will not be called into the Treasury until neces-

sary to make payment of called bonds, and that the business will be so conducted as not unnecessarily to interfere with the money market. As a public officer I cannot waive the right and duty to judge of the time and amount of money to be drawn, but the government is interested with all citizens in completing the refunding operations by making the exchange of four per cent. bonds for six per cents with as little disturbance as possible.

I have not answered the communications to me on this subject, but you are at liberty to show this to any one interested, and, at your discretion, to publish it.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 971.

1879.
Department No. 42.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., March 12, 1879.

The Secretary of the Treasury calls attention to the four per cent. refunding certificates of the United States to be issued under the following provisions of the act of Congress approved February 26, 1879, entitled "An act to authorize the issue of certificates of deposit in aid of the refunding of the public debt," to wit:

That the Secretary of the Treasury is hereby authorized and directed to issue, in exchange for lawful money of the United States that may be presented for such exchange, certificates of deposit, of the denomination of ten dollars, bearing interest at the rate of four per centum per annum, and convertible at any time, with accrued interest, into the four per centum bonds described in the refunding act; and the money so received shall be applied only to the payment of the bonds bearing interest at a rate of not less than five per centum in the mode prescribed by said act, and he is authorized to prescribe suitable rules and regulations in conformity with this act.

Each certificate will be of the denomination of ten (10) dollars; will be made nearly of the form and size of a United States note; and will bear on its face and back the conditions of its issue, as follows:

[*On the face.*]

UNITED STATES REFUNDING CERTIFICATE.

TEN DOLLARS.

APRIL 1, 1879.

This certifies that the sum of TEN DOLLARS has been deposited with the Treasurer of the United States, under act of February 26, 1879.

JAS. GILFILLAN, *Treasurer of the United States.*
G. W. SCOFIELD, *Register of the Treasury.*

WASHINGTON, D. C.

Convertible, with accrued interest, at 4 per cent. per annum, into four per cent. bonds of the United States, issued under the acts of July 14, 1870, and January 20, 1871, upon presentation at the office of the Treasurer of the United States, Washington, D. C., in sums of $50, or multiples thereof.

[*On the back.*]

Interest on this note will accrue as follows:

For each 9 days, or 1-10th of a quarter	1 cent.
For each quarter year	10 cents.
For each entire year	40 cents.

Such certificates will be sold for lawful money, at par and accruing interest to the date of purchase, by the Treasurer of the United States at Washington, and by the assistant treasurers at Baltimore, Boston,

Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, and by all national banks, postmasters, and other officers of the government who may be authorized to sell them; and the Treasurer of the United States at Washington, and the assistant treasurer at New York, will also receive in payment drafts in favor of themselves, respectively, drawn on New York, which will be collected, and the excess, if any, returned by check to the depositors.

The Treasurer of the United States will also accept in payment certificates of deposit of national banks specially designated to receive deposits on this account, but the refunding certificates will not be delivered until the certificate of deposit issued by the bank has been paid for by a Treasury draft, or by a deposit of a like amount of lawful money with the Treasurer or some assistant treasurer of the United States, or until United States bonds of equal amount are substituted in their stead.

All collectors of the customs, surveyors of the customs acting also as collectors, receivers of public moneys, postmasters of money-order offices, and all other public officers of whatsoever character, are invited to become agents for the sale of these certificates. Any such officer who may request to be thus employed will be promptly designated by the Secretary of the Treasury as a depositary for that purpose, under the provisions of section 3639, Revised Statutes of the United States, and upon his filing a satisfactory bond, he will receive from the department a supply of the certificates for sale, not to exceed in amount at any one time the penalty of the bond, which should be not less than $1,000. A blank bond to be executed will be transmitted with the letter of designation.

All national banks, upon complying with section 5153, Revised Statutes of the United States, are also invited to become financial agents of the government, and depositaries of public moneys accruing from the sale of these certificates. The money received by depositary banks for such certificates will remain on deposit with said banks, subject to the order of the Treasurer of the United States, and calls for the redemption of bonds will issue from time to time as the Secretary may direct.

A commission of one-eighth of one per cent. will be allowed on the sale of these certificates to officers other than the Treasurer and assistant treasurers, and a like commission to banks and others purchasing them directly of the Treasurer or some assistant treasurer of the United States, provided such sales or purchases by the party claiming the commission shall aggregate not less than $1,000 within any one calendar month, and a party purchasing at one time $1,000 or more of the certificates, will be entitled to receive them free of charge for transportation to any point on an established express line.

Commissions will be paid at the department by check on New York.

The certificates will be ready for delivery April 1, 1879, at which date they will begin to bear interest, which will be payable upon the conversion of the certificates into 4 per cent. bonds, but subscriptions may be made at once.

Certificates will also be issued under this law, whenever requested, similar in form and upon similar conditions to those above described, to be registered on the books of the Treasury in the name of the owner, which name will also be entered on the face of the certificate.

JOHN SHERMAN, *Secretary.*

No. 972.

Ninety-second call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

TREASURY DEPARTMENT,
Washington, D. C., March 12, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the twelfth day of June, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July 1, 1867*:

$50—No. 105001 to No. 111000, both inclusive.
$100—No. 195001 to No. 208000, both inclusive.
$500—No. 104001 to No. 108000, both inclusive.
$1,000—No. 185001 to No. 194000, both inclusive.
Total coupon $7,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872":

$100—No. 23651 to No. 23700, both inclusive.
$500—No. 11551 to No. 11560, both inclusive.
$1,000—No. 44501 to No. 44550, both inclusive.
$5,000—No. 15101 to No. 15800, both inclusive.
Total registered 3,000,000

Aggregate 10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 973.

Form.—Designation of national bank as United States depositary for sale of United States refunding certificates.

TREASURY DEPARTMENT, ——— —, 18—.

———— ————, ——— *National Bank*, ———:

SIR: By virtue of the authority conferred upon me by section 5153, Revised Statutes of the United States, the ——— National Bank ———, ———, is hereby designated a depositary of public moneys to receive deposits on account of subscriptions for the "United States refunding certificates, act of February 26, 1879," in accordance with the conditions of department's circular of March 12, 1879, copy inclosed.

Under this designation your bank will be entitled to receive only deposits on account of subscriptions for the certificates above mentioned.

The necessary blanks have this day been sent you.

Very respectfully, ———— ————, *Secretary.*

No. 974.

Form.—Designation of public officer as a United States depositary for the sale of United States refunding certificates.

TREASURY DEPARTMENT, ——— —, 18—.

———— ————, ———— ————:

SIR: By reason of your appointment as ——— at ———, you are hereby designated a United States depositary of public moneys at that place, under the provisions of section 3639, Revised Statutes of the United States, and in accordance with the conditions of department's circular of March 12, 1879, copy inclosed.

Under this designation you will be entitled to receive and hold only moneys arising from the sale of "United States refunding certificates, act of February 26, 1879," not registered, and the commission allowed you for the sales, under the provisions of the circular mentioned, as amended by circular of April 28, 1879, copy also inclosed, will be in full compensation for your services as depositary.

A blank bond is herewith inclosed, and upon its return properly executed, a supply of the certificates, with necessary blanks and instructions, will be promptly sent you.

Very respectfully, ———— ————, *Secretary.*

———

No. 975.

Form.—Notification of designation of United States depositaries for sale of United States refunding certificates.

TREASURY DEPARTMENT,
SECRETARY'S OFFICE,
———— —, 18—.

To the Treasurer of the United States:

SIR: I have to advise you that the following-named public officer ha been designated U. S. depositar for the sale of U. S. refunding certificates, act of February 26, 1879, and the Secretary has this day approved official bond for this purpose, in the penal sum as below stated, viz:

Name of U. S. depositary.	Penalty of bond.

Very respectfully, ———— ————, *Assistant Secretary.*

No. 976.

Form of letter used in notifying Postmaster-General of designations of postmasters as United States depositaries for sale of refunding certificates.

TREASURY DEPARTMENT, ——, 18 .

Hon. —— ——,
Postmaster-General:

SIR: I have the honor to inform you that the following-named postmaster ha been designated U. S. depositar for the sale of the U. S. refunding certificates, act of February 26, 1879, and I have this day approved official bond for this purpose, in the penal sum as below stated, viz:

Name of U. S. depositary.	Penalty of bond.

Very respectfully, —— ——, *Secretary.*

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No. 977.

Mr. Sherman to Mr. Morton.

TREASURY DEPARTMENT, *March* 12, 1870.

L. P. MORTON, Esq., *New York:*

SIR: Your letter of the 11th instant in regard to the payment for 4 per cent. bonds is received.

I have to-day written a letter to Assistant Treasurer Hillhouse covering the subject-matter, which you are at liberty to see.

Very respectfully, JOHN SHERMAN, *Secretary.*

——

No. 978.

Mr. Sherman to Messrs. Fisk & Hatch.

TREASURY DEPARTMENT, *March* 12, 1879.

Messrs. FISK & HATCH, *New York:*

GENTLEMEN: Your letter of the 11th, in regard to the payment for four per cent. bonds, is received.

I have to-day written a letter to Assistant Treasurer Hillhouse, covering the subject-matter, which you are at liberty to see.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 979.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 13, 1879.

SHERMAN, *Washington:*

N. M. Rothschild & Sons subscribe for one million 4 per cent consols, delivered to-day under yesterday's date. CONANT.

No. 980.

Mr. Sherman to Messrs. Fisk & Hatch.

TREASURY DEPARTMENT, *March* 13, 1879.

Messrs. FISK & HATCH, *New York:*

GENTLEMEN: In reply to that portion of your letter of the 11th instant concerning the application of unmatured called bonds in payment of subscriptions to the four per cent. loan, I have to say that it is not deemed advisable to make any change in the rule of the department requiring that such bonds shall only be used in payment of subscriptions made on or after the dates of the calls in which the bonds are embraced.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 981.

Mr. Sherman to Chase National Bank, New York.

TREASURY DEPARTMENT, *March* 13, 1879.

CASHIER CHASE NATIONAL BANK, *New York:*

SIR: Your letter of the 11th instant, suggesting that an arrangement be made with you to secure promptly the placing of the ten dollar certificates, is received.

I have to advise you that great diligence is being used in engraving, printing, and preparing these certificates, but they cannot be ready for distribution much before the first of April. They will only be sold upon subscriptions open to all on the same terms, and therefore I must decline your proposition to make any special arrangement with you.

I intended to allow one-fourth of one per cent. commission, but upon careful examination of the cost of engraving, transporting, and refunding these certificates into four per cent. bonds, it is found that within the limit allowed by law for expenses no more than one-eighth of one per cent. commission can be allowed.

As you subscribed for $50,000, however, before this decision was made, you will be allowed one-fourth of one per cent. on that amount.

A new circular is in course of preparation, and will be issued within a day or two, giving in detail the conditions upon which the certificates are issued, to which your attention is invited and your co-operation requested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 982.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, March 13, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 12th instant relative to the settlements in connection with refunding, and, acting on your permission, have concluded to furnish copies of it to one or more of the evening papers for publication, as the best and most satisfactory way of giving publicity to your views and purposes on this very important subject.

I have also shown your communication to several of the leading banks and bankers interested. It seems to me that the apprehensions expressed by your correspondents may be caused in some instances by the suspicion, if not the conviction, that their subscriptions have been carried beyond the point of absolute safety, and, now that settlement day is approaching, they are naturally desirous of ascertaining how far they may count on the forbearance of the government. It might have been better both for themselves and the government if they had shown a little more caution at the start; but prudential considerations are apt to be lost sight of in the heat of competition and the desire to make money. It is fortunate that the Secretary has the disposition and the power to control, if not to prevent, the evil consequences of any speculative operations in connection with refunding, not only in the way suggested in his letter, but, if necessary, by the temporary use of a portion of the ample means at his disposal for the purpose. With this favorable circumstance, added to the fact that the subscriptions are already largely covered by called bonds now in the Treasury, the conclusion that the settlements need not cause any serious disturbance does not appear to be unreasonable, especially if, meanwhile, there should be no marked fall in the price of the 4 per cents. or rise in that of foreign exchange.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer.

Hon. JOHN SHERMAN, *Secretary.*

No. 983.

Mr. Sherman to National Security Bank, Boston, and others.

TREASURY DEPARTMENT, *March* 14, 1879.

CASHIER NATIONAL SECURITY BANK, *Boston, Mass.:*

SIR: Referring to your subscriptions to the 4 per cent. consols of 1907 and to the unissued balance of $\$$————, for which you have not forwarded requisitions, you are advised that the department is now prepared to issue and deliver promptly both coupon and registered bonds.

It is desirable that the work of preparing and issuing such bonds, as well as the redemption of called bonds, be delayed as little as possible, and I therefore have to request you to forward your requisitions at as early a date as practicable within the present month.

Very respectfully, JOHN SHERMAN, *Secretary.*

Similar letters were addressed to the following-named national banks, same date:

Third National Bank, Nashville, Tenn.
Old Colony National Bank, Plymouth, Mass.
First National Bank, New York.
Suffolk National Bank, Boston, Mass.
Wachusett National Bank, Fitchburg, Mass.
Granite National Bank, Augusta, Me.
Bank of New York National Banking Association, New York.
Third National Bank, Cincinnati, Ohio.
Maverick National Bank, Boston, Mass.
Continental National Bank, Boston, Mass.
National Broadway Bank, New York.
Merchants' National Bank, Cleveland, Ohio.
Central National Bank, Boston, Mass.
Blackstone National Bank, Boston, Mass.
First National Bank, Memphis, Tenn.
Covington City National Bank, Covington, Ky.
First National Bank, Cincinnati, Ohio.
North National Bank, Boston, Mass.
First National Bank, Newburyport, Mass.
National Bank of the Commonwealth, Boston, Mass.
Rollstone National Bank, Fitchburg, Mass.
National Bank of Commerce, New York.
Second National Bank, Utica, N. Y.
Chemical National Bank, New York.
Montpelier National Bank, Montpelier, Vt.
Fourth National Bank, Cincinnati, Ohio.
National Revere Bank, Boston, Mass.
First National Bank, Salem, Mass.

No. 984.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 14, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

DEAR SIR: I am pleased to see by your letter to General Hillhouse that you appreciate the situation of the money market and the apprehension that, in consequence of the large amount of bonds to be taken up and paid for in April and May, a severe pinch if not a panic in the money market might occur, and will so direct the calls for payments as to prevent the apprehended stringency.

You are aware that it is the season when our merchants are busy with the spring trade, and the movement of produce from the West by water will soon begin upon a large scale. These two facts will give rise (as we already feel) to a large demand for money for business purposes, which I should regret to see interfered with by any squeeze in the money market; then, again, a tight market would stop entirely the subscriptions to the "fours."

Our sterling exchange market is almost up to a shipping point. If much gold should be called for shipment, it would have a bad effect on the

business of the country as well as tend to make money very tight. I feel quite sure that you will be able to regulate the movement of gold as well as to prevent any pinch in money.

When will the $10 certificates bearing 4 per cent. interest be ready; and could not they be used by the banks and count in our *reserve?* If so, we would order quite a large sum. I hope this will strike you favorably. I see no objection to it, at least, for a good portion of the reserve.

I remain yours, faithfully,

CHAS. M. FRY, *President.*

No. 985.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *March* 15, 1879.

CHARLES F. CONANT, Esq., *London, England:*

DEAR SIR: Your interesting letter of the 1st instant is received, and has been read by the President and myself, as well as one or two other members of the Cabinet.

On the whole, I regard your view of European financial matters as favorable to our interest. Unless some unforeseen agitation in Congress should disturb the market, everything is favorable here.

I send you a copy of a circular just issued in regard to the ten-dollar certificates, the placing of which will be pressed by the department with energy.

I will also send you a package of these circulars to be distributed among persons who may be interested in our financial operations.

The process of refunding has fallen off greatly, averaging during the present month about a million dollars a day, instead of from three to five millions in January and February. I do not regard this as an unhealthy sign, for many of the previous subscriptions were speculative, and are now being gradually absorbed by the current demand.

Indeed, I would prefer not to sell any more bonds for the domestic market until I am absolutely sure of the sale abroad of an amount which, with the balance of trade in our favor, will be sufficient to cover the called bonds held there.

An apprehension has existed in New York that the operations of the Treasury in April and May might interfere with the course of business. To allay this I wrote a letter to General Hillhouse, a copy of which is inclosed for your information. The sales abroad have not been quite equal to my expectations, although above the minimum prescribed by the contract. I hope that by the 1st of April the whole of the last $10,000,000 sent you will have been subscribed for.

Can you suggest any way by which an arrangement can lawfully be made for exchange in London, say to the amount of $10,000,000, in April or May, to be drawn upon if necessary? In case of a considerable shipment of gold, such a resource might be of advantage in preventing popular alarm, though I have no dread of a draft for so large a sum as even twenty or thirty million dollars. The gold in the Treasury is rather increasing than diminishing, and the domestic supply is fully equal to our anticipations.

The silver question is embarrassing, but only because there is absorbed a portion of our revenues for the monthly coinage required by law.

We have now almost enough silver bullion to meet this requirement until the 1st of December next, and our purchases will therefore be much less than usual. The effect of this upon the silver market I cannot judge.

The opinion is growing in Congress in favor of a standard silver dollar near the intrinsic value of the gold dollar—at the rate, say, of about eighteen to one—though it is scarcely probable that any action in that direction will be had at the calléd session.

You may have observed that the last Congress passed three bills which have a serious effect upon the Treasury: first, the arrears of pensions bill, which in the course of this and the next fiscal year will probably call for $26,000,000; second, the tobacco bill, which will reduce the revenue about $8,000,000, and require a refund of perhaps $2,000,000; and third, a very improvident river and harbor bill.

Notwithstanding this inconsiderate legislation, we will probably be able to keep within our income by extending payment of arrears of pensions through a longer period and by withholding the great body of the expenditures on the rivers and harbors, and perhaps by limiting requisitions for public buildings.

It is my expectation that in this way we will keep our expenditures within our revenues, while public opinion severely censures and will hereafter check such excessive appropriations. The three bills referred to are herewith inclosed.

I suppose that Baron Rothschild does not take the interest in the present loan that he did in the 4½ per cent. loan. I hope, however, his interest will be sufficient to induce him to take a good proportion of the remaining bonds necessary to cover the outstanding 5-20s. The amount yet to be called is $78,079,300. A good share of this will be provided for by the issue of the new certificates, so that practically $60,000,000 may be said to be the limit of the present offer of 4 per cent. bonds, with a strong feeling in many quarters to cover them during this and the next month. When this is done, I will advance the price to a rate that will cover the interest during the period of the call. There will then be no desire to force the 4 per cent. bonds upon the market, as we will have two full years to sell $200,000,000 to take up the 10-40s before six per cents of 1881 will be redeemable. A notice to this effect has been issued, a copy of which is inclosed. In view of these facts, would it not be well for the syndicate to make a good round subscription during the present or the next month?

Please keep me fully advised of any matters of interest.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 986.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, March 15, 1879.

DEAR MR. SECRETARY: I have had the honor to receive one cable dispatch from you during the current week, and to send two to you, copies of which are transmitted herewith on accompanying sheet, marked "A".

On Thursday last the bank rate was reduced from 3 to 2½ per cent.,

and the open market rate immediately fell to 2⅛ per cent. for three months' bank bills and 2¼ per cent. for trade bills.

Money is accumulating rapidly, and owing to the continued stagnation in trade and general depression in business, the demand for it is really decreasing, and it is expected that lower rates will obtain during the next few weeks. It would be natural to reason that with such a condition of money affairs our bonds ought to sell readily and in large amounts, but the fact is that they do not at the present time as compared with home sales, yet it frequently happened that during the sales of the 4½ per cent. and 5 per cent bonds, when the market for the same was wholly on this side, no more business was done in them than is now being done in the 4 per cents. The causes which are operating to prevent sales to any great extent just now, I alluded to in my last letter, but I will venture to again mention them. They are principally competition, which creates constant fluctuations in prices, and the expectation that the value of the bonds will soon be temporarily considerably below par, say two or three per cent. All of our bonds (4 per cent.) which have been sold here thus far have been disposed of to large investors, and for a permanent investment. People who have small amounts to invest purchase securities which pay a greater rate of interest than 4 per cent. The former class in selecting the character of securities offered them are influenced somewhat by the daily financial reports in the newspapers in regard to the same.

The money article in the Times of yesterday says: "United States Government bonds continue rather dull, and it now seems probable that the conversion of the debt has been pushed with too much haste. The public do not absorb the bonds fast enough". Bonds are offered here at as low a price as the syndicate pay you for them (so they say). This very fact creates a suspicion that there has been an overloading and the expectation that when the day of settlement shall arrive there will necessarily be a decline in prices. I hear remarks every day embodying this in substance. The Statist of this morning says: "Gold will come from New York, when the short rate of exchange is as high as 4.89. The quotation at 60 days' sight is now 4.86½; and if interest for the two months at 2 per cent. is added, the short equivalent is 4.88½; being very nearly the gold point. Probably more gold has been held in America since resumption became a fact, and as every month adds to the supply, in consequence of the large production of the California gold mines, we may expect a steady flow of gold from America." This writer is wrong to a certain extent.

Short exchange in New York was 4.89 when I left New York, February 1. It has not varied much in price since. Gold is not now wanted here and the reduction in the rate of interest will tend to prevent the shipment of it from New York. The rate of interest is just as important an element as the balance of trade is in the question of the shipment of gold.

It is a well-known and admitted fact here that gold will not come from America except in payment for bonds sent there, and, of course, such remarks as those which I have quoted do not tend to aid the sale of our bonds. Everybody understands that when shipments of gold shall be made the price of our bonds will go down. All of our securities have fallen off ¼ per cent. this week on account of the hardening in the rates of exchange. If any reliance can be placed in the statistics of our imports and exports, I do not believe that shipments of gold in amounts sufficient to do us any harm will take place, and especially if we shall have a cheap and easy money market here. I therefore be-

lieve we shall sell bonds here. In this connection I will mention that if we had such a system of supervision over money and bonds sent out from and received into the United States through the mails and by express as the one in operation in France, by law, we should at all times be in possession of all the facts concerning the actual balance in favor of or against the country at any and all times. It is now the general opinion that no attempt will be made within the coming year to convert the 5 per cent. French rentes. The credit of the French Government is estimated everywhere abroad at a 4 per cent. rate of interest, but still 5 per cent. is paid and will now be paid for at least a year hence on one-half of the entire debt of the French nation. The bullion held by the Bank of England on Thursday last amounted to £33,100,000; for the corresponding week in 1878, it was £24,400,000; in 1877, it was £26,500,000; in 1876, it was £23,900,000; in 1875, it was £20,900,000; and for the corresponding week in 1869, it was £18,100,000; at which time the rate of interest was 3 per cent. The note circulation for the corresponding period was as follows:

1879.	1878.	1877.	1876.	1875.	1869.
£28,800,000	£26,700,000	£27,100,000	£26,300,000	£25,300,000	£23,200,000

A new issue is advertised this week of $1,700,000, gold, of Oregon and California Railroad first mortgage 7 per cent. bonds. The directors of the Bank of Australasia have declared a half-yearly dividend at the rate of 12½ per cent. free from income tax, and the City Bank, Sidney, New South Wales, pays a dividend of 10 per cent. The Bank of England will pay a large dividend this year. The official report of the Russian State Bank for 1877 contains an account of great forgeries of paper roubles, of which nearly 250 different descriptions have been discovered.

We have, during the current week, scheduled and canceled for Messrs. McCulloch & Co. $750,000 in called bonds, making a total to date of $1,500,000.

I inclose a clipping of an article from the Bullionist, giving particulars of the negotiation, &c., of a loan of $3,000,000 in New York for the city of Quebec. The expenses of the transshipment of bonds, telegraphing, stationery, office expenses, salaries, &c., up to the 1st of the present month will amount to about $1,775.

I inclose herewith an article cut from the Times of March 11, relating to the report of the Potter investigating committee and other matters which will, I think, be of some interest to you.

I have the honor to be, yours, very respectfully,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

A.

Copy of cable message received from the Secretary of the Treasury.

MARCH 11, 1879.

Deliver to Rothschild $75,000 4 per cent. funded loan bonds—paid for here.

Copy of cable message sent to the Secretary of the Treasury.

MARCH 12.

Party has arrived safely.

And—

MARCH 13.

Rothschild & Sons, N. M., subscribe for one million four per cent. funded loan bonds, delivered to-day under yesterday's date.

No. 987.

Form of letter written to Cabinet officers.

TREASURY DEPARTMENT, *March* 15, 1879.

SIR: I have the honor to inclose herewith copy of department's circular of March 12, 1879, relating to the issue of the United States funding certificates—act of February 26, 1879—and ask your co-operation in the distribution of the certificates referred to in the circular, through the disbursing officers of your department.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 988.

Mr. Sherman to Bank of New York, National Banking Association.

TREASURY DEPARTMENT, *March* 15, 1879.

PRESIDENT BANK OF NEW YORK,
National Banking Association, New York:

SIR: Your letter of yesterday is received. The ten-dollar certificates will probably be ready for issue by the 21st instant, and certainly by the 1st of April. The law does not allow them to be counted as part of the reserve.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 989.

Mr. Sherman to Mr. Kernan.

TREASURY DEPARTMENT, *March* 18, 1879.

Hon. FRANCIS KERNAN, *United States Senate:*

SIR: The passage of the bill (H. R. 6516) in regard to the interest on called bonds, with the amendment suggested by you in the Senate, is extremely important, and is manifestly in the public interest. In my last annual report I invited the attention of Congress to the great saving that would be made by shortening the duration of the call for bonds. As a notice of ninefy days was absolutely required, I was compelled in the circular of January 1, 1879, and in the contract with the Messrs. Rothschild & Sons and others, to stipulate for the payment of interest on called bonds during that period.

This circular and contract cannot with due regard to the public credit be departed from as to the 5-20 bonds, but after they are funded Congress will be at entire liberty to shorten the duration of the call. As it is known to all holders of government bonds that the 10-40s are subject to call, it would be no injustice to them to authorize the department to stop the interest after a notice of thirty days. This will save sixty days' interest, and, besides, will prevent the accumulation in the Treasury or the banks of large sums of money, which tends to embarrassment in business.

The refunding certificates about to be issued will be sold chiefly for money, and this should be paid out for called bonds as promptly as possible.

I submit to you whether upon these facts it would not be advisable for the Senate, by general consent, to pass the House bill with the amendment, as an exception to the rule you have adopted against legislation at the present session.

It is now probable that the balance of the 5-20s will be refunded during the months of April and May, when the law requires the refunding of the 10-40s to be commenced.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 990.

Hanover National Bank, New York, to Mr. Sherman.

THE HANOVER NATIONAL BANK, *New York, March* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We have your favor of the 18th instant, and note your request to take up all 4 per cent. bonds subscribed for by us, and now in the hands of the United States assistant treasurer. Please be good enough to inform us whether we are correct in the construction of your request to take up these bonds, that when taken up the bonds may be re-deposited as security for United States deposits, together with other government securities, provided a margin of 5 per cent. is added upon any 4 per cent. bonds deposited.

Our dealers inform us that most of these four per cents have been sold by them for later delivery, and if you do now discriminate against this class of bonds, and you do not permit their re-deposit with a margin of 5 per cent., it will necessitate the withdrawal of these bonds and a payment of an equal amount of legal-tenders into the sub-treasury.

Please be good enough to reply at our expense by wire to-morrow, so that we can make our arrangements without delay to comply with your request.

Very respectfully, yours, GEO. W. PERKINS, *Cashier.*

No. 991.

Mr. Sherman to Hanover National Bank, New York.

TREASURY DEPARTMENT, *March* 18, 1879.

CASHIER *Hanover National Bank, New York, N. Y.:*

SIR: I have to call your attention to the fact that of the four per cent. consols forwarded to the United States assistant treasurer at New York for delivery to your bank upon the receipt by him of sufficient security, there remains undelivered the sum of $5,773,900, and have to request that you will as rapidly as possible, and during the present month, deposit such securities and take up such bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 992.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *March* 19, 1879.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Your two favors of the 12th and 13th instant, in reply to ours of the 11th, were duly received, with thanks for your attention.

Referring again to the continued and increasing agitation of the question of the probable combined effect of the spring business and the April settlements for four per cents upon the money market, and to the unfavorable influence which this agitation is having upon financial and business interests generally, we take the liberty of further suggesting one or two simple measures which, if within the limits of your discretion, would, it seems to us, materially facilitate the Treasury settlements, and go far to quiet existing apprehensions, as well as to avert any unfavorable effect which might, in the ordinary course, result from such settlements when the heavy subscriptions and calls falling due in April begin to mature.

(1.) To all the national banks, when called upon to make payments into the Treasury, to pay any portion of the amount of such calls in any called bonds which may be then past due, by delivery of the same direct at the sub-treasury here, to be received at par and interest to maturity on account of such payments.

(2.) To make calls upon the national banks for actual money payments into the Treasury only *after* and to the extent that checks given in payment for called bonds have previously been actually presented and paid. This would prevent the withdrawal of money from the market, even temporarily for greater or less periods of time, which must inevitably take place if withdrawals from the banks are made to meet called bonds at the time the latter are presented or received at the Treasury Department for redemption, and if, as heretofore, intervals of several days elapse between the forwarding of the bonds to the department and the receipt of the checks in payment.

(3.) To give notice that any called bonds maturing prior to April 15 will be paid, with interest to maturity, upon presentation any time after such notice. This would embrace the calls from the 76th to the 81st, amounting to $70,000,000. As a large proportion of these are probably already in the department as security, awaiting settlement by simple credit to the accounts of the various national banks by whom they have been deposited, the amount actually presented for payment in money in anticipation would be small, while the announcement that they would be so paid would have an instantaneous result in effectually dispelling the existing apprehensions, and in restoring confidence and a sense of security to all departments of business.

Respectfully submitting the foregoing suggestions for your consideration, and urging the very great interest which we feel in the subject as our apology, if any is needed, for writing you again, we remain,

Very truly, yours, FISK & HATCH.

No. 993.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, March 20, 1879.

SIR: Several parties for whom we hold 4 per cent. bonds undelivered have requested that they might be allowed to cut off the interest coupon for April, which request we have declined to accede to, taking the ground that they cannot be allowed to do it until the bonds have come into their possession by withdrawal in the usual manner. We shall adhere to this course unless you otherwise direct. I presume similar requests have been made to the Treasurer for interest checks on the registered stock, but we are not advised of his decision.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 944.

Mr. Sherman to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *March* 20, 1879.

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: Your letter of the 8th instant, asking for authority to reissue the clearing-house certificates, act of June 8, 1872, in paying balances due the clearing-house, has been received.

In reply, I have to inform you that I see no objection to their reissue if parties are willing to take them, but I think it better that a reissued certificate should bear not more than one indorsement at the time of its reissue. Redeemed certificates which you propose to reissue should be carried meantime in your cash as a part of the assets of your office, and should not be taken from the record of certificates outstanding.

In this connection permit me to say that, owing to the large denominations in which these certificates are issued, there cannot be much saving of labor and expense in reissuing them as proposed. Under the existing method the average yearly issue of these certificates in all the subtreasury offices hardly exceeds seven thousand in number.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 995.

Mr. Sherman to National Park Bank, New York.

TREASURY DEPARTMENT, *March* 20, 1879.

PRESIDENT NATIONAL PARK BANK, *New York, N. Y.:*

SIR: Your letter of the 18th instant, asking to be informed whether the department will accept and hold as collateral security 4 per cent. bonds for a like amount of United States refunding certificates, to be delivered to your bank as soon as ready, on or after April 1, 1879; and,

if so, when you will be required to redeem the bonds with lawful money, has been received.

In reply, I have to inform you that the department will accept 4 per cent. bonds as security for deposits made with your bank on account of subscriptions for United States refunding certificates, and will deliver the certificates subscribed for to the amount of security bonds furnished upon receipt of a proper certificate from your bank, stating that the money has been deposited to the credit of the Treasurer of the United States.

As to the length of time that the money received on account of subscriptions for the refunding certificates would remain on deposit with your bank, you are informed that while there is little doubt that the money so received will be allowed to remain on deposit for the ninety days required by law for the maturity of a call for bonds, still it must be understood that the department reserves the right, without qualification or condition, to draw the same at any time. If the bonds are registered, they should be assigned to the Treasurer of the United States in trust.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 996.

Mr. Sherman to Postmaster at Clinton, Mass.

TREASURY DEPARTMENT, *March* 20, 1879.

C. M. DINSMORE, Esq., *Postmaster, Clinton, Mass.:*

SIR: Your letter of the 18th instant, asking whether any commissions on $10 refunding certificates would be allowed you in case the aggregate sales in any month do not amount to $1,000, has been received.

In reply, I have to inform you that for the present commissions will be allowed on the sale of these certificates only upon rates provided in the circular of March 12, 1879, which give no commission on sales aggregating less than $1,000 per month.

The matter of commissions was carefully considered before the circular was issued and the amount fixed as stated, in hope that it would stimulate the sale of the certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 996½.

Memorandum for the press.

MARCH 20, 1879.

The Treasury Department will now redeem called bonds embraced in the 76th to 80th calls, inclusive, paying interest to the date of redemption, or it will redeem at once bonds included in said calls, with interest to date of maturity, and apply proceeds to the payment of any subscription for the 4 per cent. consuls.

No. 997.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *March* 21, 1879.

Hon. CHAS. F. CONANT, *London, England:*

SIR: Your letter of the 8th instant is received. The permission granted to the First National Bank of New York, to deposit, through McCulloch & Co., called bonds to be canceled by you, was to enable the bank, without cost to the government, to lessen the danger in transporting the bonds, and was not intended to interfere with, nor to affect in any way the contract with the syndicate, and I should not hesitate to revoke the permission if it appeared to conflict with that contract. I think, therefore, the proper way for you is to state frankly to the Messrs. Rothschild precisely what has been done, and if substantial reasons are given why this facility should not be rendered, notify me at once. I did not see, nor can I now see, any reason why this should not be allowed to every person holding called bonds, which, upon being canceled, could only be applied to subscriptions made here, and I would not care to withdraw it unless it is in conflict with either the express or implied terms of the contract.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 998.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *March* 21, 1879.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: Department instructions of the 28th ultimo, concerning the application of the proceeds of called bonds to the payment of subscriptions to the 4 per cent. loan, are hereby so far modified that the proceeds of bonds embraced in the 76th to the 80th calls, inclusive, may be applied at once to the payment of any subscriptions to said loan.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 999.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 21, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: We are in receipt of yours of the 20th by the hands of Mr. Fletcher, and note contents. We will hand to Mr. Fletcher in the morning a list of registered bonds (new 4s) undelivered remaining in the custody of the assistant treasurer, so that the interest checks due April 1 may be retained by the Treasurer until the bonds are taken up. The coupons of course will not be disturbed. When we take the 4s out of the Treasury we will detach the coupons. Do not expect to do it before. As explained to Mr. Fletcher, the subscriptions made through us are all

good or secured. We have not sold, or rather taken, subscriptions from any doubtful parties, nor have we subscribed for any bonds as a matter of speculation on our own account. Our largest subscriber has been Messrs. I. & S. Wormser, for whom we hold $9,000,000 4 per cents and collateral for $90,000, to which will be added the coupons and interest due April 1.

Our next largest subscriber is a Canada bank, to the extent of $2,000,000, who will pay cash on the 10th and 13th of April. The balance of our subscriptions are not in large lots, and are distributed among banks and trustees who hold United States bonds of other descriptions, who either have loaned their bonds out or are undecided whether to sell now or when money becomes more abundant in the summer; also some few bonds sold for April delivery. The reason for this was the publicity given through Congressional investigation, or otherwise to the fact that payment would not be required for the 4s until maturity of the bonds called against them.

We have no fear but that all the subscriptions to the 4 per cent. loan will be paid in due time, and that without causing any uneasiness or distress in the money market, unless excited by outside influences. The currency famine at New Orleans we look upon as a temporary matter, which will be terminated in a few days. Their wants have been limited, last summer by the diminution of business, caused by the fever, and during the winter by the low price of cotton, which has no doubt led the banks to keep less circulation on hand than they would have done had business been active, and a little increased demand has caught them short; very likely politics has had its influence, especially in depreciation of the State bonds and their decline, which has made the bonds of less avail as security for loans.

We congratulate you upon the successful refunding of so large a portion of the national debt, and have no fears but that it will all work out right, if the present policy is adhered to of not calling for payment of subscriptions until the money is needed for the payment of called bonds. Having a working balance on hand in the Treasury here, it would scarcely disturb the market to call upon depositories here to make good checks drawn in Washington for payment in New York, as their amount will probably not be large. The bulk of the called bonds will be picked up by subscribers for transmission to Washington in payment of subscriptions if facilities are offered here for cancellation and transmission at nominal expense.

Yours, respectfully, R. B. FERRIS, *Cashier.*

No. 1000.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *March* 21, 1879.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Referring to your letter of the 20th instant, stating that you had declined to permit the April 1st coupons to be detached from 4 per cent. consols forwarded to you for delivery to various parties, but not yet taken up by said parties, my telegram of this date in reply thereto is hereby confirmed, as follows: "Your action in declining to detach and deliver coupons from undelivered bonds is approved."

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1001.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, March 22, 1879.

DEAR MR. SECRETARY: The Times of yesterday, the afternoon edition, published a dispatch from its Philadelphia correspondent of rather a sensational character. It was bulletined "Panic at New Orleans—Suspension of 15 banks." It was not published until after the principal transactions in business for the day were over, and did not, I think, attract much attention. To-day the dispatch is modified and explained by a second one, so that no harm will come from it. I have cut the dispatch from the Times, and inclose it herewith. Money is becoming abundant here; a condition which, I believe, is due to the continued depression in trade and manufactures. Besides the general complaints of stagnation in business which are heard on every side, the reports of the falling off all around of receipts of the various railway companies during the last six months afford, in a country like this, the best evidence of a decline in all branches of trade and industries. I do not hear expressions of hopes of any immediate change or improvement in the present condition of affairs.

Occasionally, in the course of conversations, I hear the remark, "Well, business is reviving in America, and we shall soon feel its effect here."

All indications point to low rates of interest for some time to come, and amongst them is the tendency of gold to flow here from abroad.

The increase in London of the volume of money which is seeking employment has already caused a reduction in the rates of German and French exchange, as well as a fall in the price of the same in New York. Three-months' bank bills have been discounted this week at 1⅞ per cent., and trade bills at 2½ per cent.; and the increase in the reserve in the Bank of England during this week shows that the demand for money at these rates is limited. The Imperial Bank of Germany has lowered its rate from 4 per cent. to 3 per cent.; the lowest figure that has obtained in a number of years. Its discounts have diminished, while its bullion has increased within one week £420,000.

The recent fall in the price of 4 per cent. bonds in New York would seem to indicate that there was at that point an increasing demand for money or a hardening in the interest rates; and, if such be the case, it seems to me that it is hardly reasonable to suppose that shipments of gold will be made while the money market at this point continues in in its present position.

The syndicate associates cannot sell bonds at the present market rate in New York, viz: 99¼. If they were to make a subscription, say to-day, they would have to pay for the bonds par, $100, and accrued interest from January 1, 89 cents, making the cost of an one hundred dollar bond to them $100.89. From this they have a deduction of 35 cents, leaving the net cost $100.54. The New York price I see quoted at 99½, including the 89 cents accrued interest. But banks dealing in bonds have some advantages in the way of deposits. The syndicate associates say that they get but a trifle in profits on the called bonds they purchase. I take it for granted that when settlements under the first calls shall have been made, and sales stop or are much lessened for a time, as they naturally will be, the price of the stock will then go to par, if not to a slight premium as the end draws near, and that we shall be able to go on with

sales here. Shipments of produce from New York and other home ports to England and German ports are reported as being quite large. The increase in the price of lard and bacon and hams is stimulating that branch of trade, while grain is coming forward freely.

The Bank of England's reserve in proportion to its liabilities has increased to 51 per cent. It has declared a dividend of 5¾ per cent. for the last half year, and the London and Westminster Bank has done even better.

Last week the price of silver was 49½*d.* per ounce, but this week it has receded to 48¾*d.*

We send this day a package of called bonds, amounting to $132,150, which we have scheduled and canceled, for the Messrs. Rothschild, on their own account. I send an official letter concerning it.

We have also scheduled and canceled $750,000 in called bonds for Messrs. McCulloch & Co., and expect to cancel an equal amount for them next week. I expect that Mr. Graves and Mr. Jones will sail from Liverpool for New York on Tuesday next.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1002.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 23, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: By memorandum given Mr. Fletcher this morning there are in the hands of assistant treasurer here registered 4 per cent. funded loan, in name of I. & S. Wormser, $3,066,000; in name of Bank of New York, $3,176,000.

There are also in the hands of outside parties, to whom they were sold previous to March 1, about $400,000 in name of I. & S. W., which the purchasers failed to have transferred. In order to issue only one check for all bonds in the name of I. & S. Wormser, they consent that we or the Treasury shall hold all April interest due them as margin. The same may be done with check for April interest in the name of this bank.

For bonds in names of other parties given in memorandum we will deposit the 5 per cent. required with the assistant treasurer here, and have the interest checks sent to our care.

Yours, truly, R. B. FERRIS, *Cashier.*

Memorandum.

FROM BANK OF NEW YORK
NATIONAL BANKING ASSOCIATION,
March 22, 1879.

To Hon. JOHN SHERMAN, *Secretary of the Treasury:*

Registered 4 per cent. bonds (new stock) remaining in the hands of the assistant treasurer at New York as collateral to subscriptions, in

the name of Knoblauch & Lichtenstein, New York, $250,000; George Sturges, Chicago, $50,000; Great Western Insurance Company, New York, $400,000; C. M. Fry, Lichtenstein & Seligman, trustees for the Transatlantic Fire, $25,000; I. & S. Wormser, New York, $3,066,000; Bank of New York National Banking Association, $3,176,000.

No. 1003.

Mr. Hawley to Mr. Corte.

TREASURY DEPARTMENT, *March* 24, 1879.

W. J. CORTE, Esq.,
Deputy Collector Sixth Internal Revenue District,
Statesville, N. C.:

SIR: In reply to your letter of the 20th instant, in which you ask to be designated a United States depositary for the sale of United States refunding certificates, in conformity with department's circular of March 12, 1879, I have to inform you that deputy collectors are not such public officers as are contemplated in the circular above mentioned, and the department must therefore decline to grant your request.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1004.

Mr. Sherman to Postmaster, Calais, Me.

TREASURY DEPARTMENT, *March* 25, 1879.

W. M. HAYCOCK, Esq., *Postmaster, Calais, Me.:*

SIR: Your letter of the 19th instant, inquiring whether the United States refunding certificates are negotiable and whether you would be responsible for them if any were stolen or destroyed while in your charge as United States depositary, also whether the cost of sending them to the department to be exchanged for 4 per cent. consols falls on the holders, has been received.

In reply, I have to inform you that the certificates may be transferred without indorsement, the same as United States or national bank notes; the depositaries are responsible under their bonds for the safe keeping of the certificates; and also for the safe keeping of the proceeds of the sales of said certificates until the amount shall have been transferred to the Treasury.

The department will not pay expenses of certificates sent in for conversion into 4 per cent. consols.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1005.

Mr. Hawley to Montpelier National Bank, Montpelier, Vt.

TREASURY DEPARTMENT, *March* 25, 1879.

CASHIER MONTPELIER NATIONAL BANK, *Montpelier, Vt.:*

SIR: Your letter of the 20th instant, inquiring whether the bonds now held by the Treasurer of the United States, as security for deposits in your bank, on account of subscriptions to the 4 per cent. consols of 1907 will answer as security for deposits on account of refunding certificates, has been received.

In reply, I have to inform you that separate transcripts and certificates of deposit will be furnished your bank for deposits on each account, and the refunding certificates will be issued from the office of the Treasurer of the United States.

It is not, therefore, deemed practicable to use the security bonds furnished for deposits on account of the 4 per cent. consols, as security for any deposits you may receive on account of the refunding certificates.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1006.

Circular relative to registered funding certificates of the United States.

1879.
Department No. 50.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., March 26, 1879.

The Secretary of the Treasury calls attention to the registered four per cent. refunding certificates of the United States to be issued under the following provisions of the act of Congress, approved February 26, 1879, entitled, "An act to authorize the issue of certificates of deposit in aid of the refunding of the public debt," to wit:

That the Secretary of the Treasury is hereby authorized and directed to issue, in exchange for lawful money of the United States that may be presented for such exchange, certificates of deposit, of the denomination of ten dollars, bearing interest at the rate of four per centum per annum, and convertible at any time, with accrued interest, into the four per centum bonds described in the refunding act; and the money so received shall be applied only to the payment of the bonds bearing interest at a rate of not less than five per centum in the mode prescribed by said act, and he is authorized to prescribe suitable rules and regulations in conformity with this act.

Each certificate will be of the denomination of ten ($10) dollars; will be made nearly of the form and size of a United States note; and will be registered on the books of the Treasury in the name of the owner, which name will also be entered on the face of the certificate. It will be negotiable only upon assignment.

Such certificates will be sold for lawful money, at par, and accruing interest to the date of purchase, by the Treasurer of the United States at Washington, who will also receive in payment drafts in favor of himself, drawn on New York, which will be collected, and the excess, if any, returned by check to the depositors.

The Treasurer of the United States will also accept in payment certificates of deposit of any assistant treasurer of the United States, or of national banks specially designated to receive deposts on this account, but the certificates will not be delivered in the latter case until the certificate of deposit issued by the bank has been paid for by a Treasury

draft, or by a deposit of a like amount of lawful money with the Treasurer or some assistant treasurer of the United States, or until United States bonds of equal amount are substituted in their stead.

A commission of one-eighth of one per cent. will be allowed on subscriptions for the certificates, provided such subscriptions by the party claiming the commission shall aggregate not less than $1,000 within any one calendar month, and a party purchasing at one time $1,000 or more of the certificates, will be entitled to receive them free of charge for transportation to any point on an established express line.

Commissions will be paid at the department by check on New York.

The certificates will be ready for delivery April 1, 1879, at which date they will begin to bear interest, which will be payable upon the conversion of the certificates into four per cent. bonds.

JOHN SHERMAN, *Secretary.*

No. 1007.

Mr. Sherman to Mr. Wheeler.

TREASURY DEPARTMENT, *March* 26, 1879.

HON. WILLIAM A. WHEELER, *Vice-President:*

SIR: I have the honor to acknowledge the receipt of the Senate resolution of January 24, 1879, in words as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to inform the Senate of the amount of commissions or other compensation paid to bankers, brokers, firms, companies, syndicates, and individuals, for services in negotiating the sale of bonds and other obligations of the United States, from the year 1862 until the present time; when and to whom such commissions or compensation was paid; and when paid to syndicates, firms, corporations, or companies, to state the names of persons composing the same. And also to inform the Senate whether any, and, if any, what amount of commissions or other compensation has been paid to bankers, brokers, firms, companies, syndicates, and individuals for services rendered in refunding any of the bonds of the United States, and, if any such payments have been made, to state when and to whom made; and also whether interest has been paid on called bonds at the same time that interest was accruing on the bonds sold to redeem the same, and whether such double interest has been uniformly paid while the refunding operation has been in progress, or on bonds sold for resumption purposes, specifying whether there has been any exception to such payments of double interest, and who was Secretary of the Treasury at the time of such exception, and how much double interest has been paid on each class of bonds, and the total amount thereof, and whether the money received for bonds sold by any bank or syndicate has, in all cases, been allowed to remain on deposit with the national banks acting as government depositaries, pending this call of bonds, specifying the names of the banks and the length of time during which the proceeds of the bonds sold have been left on deposit with each bank, and whether, at any time, any gold coin has been delivered by the Treasury to any parties concerned in the negotiation of United States bonds, or otherwise, in exchange for or upon the security of United States bonds, or in advance of the payment thereof, pending any call of bonds on which interest was allowed or paid up to the date of the maturity of the call; and, also, whether any money in the Treasury held for the payment of overdue called bonds has been left on deposit without interest in any government depositary, and what was the largest amount thereof at any one time, stating the names of the banks in which such money was deposited and what security the Treasury held for the payment thereof when demanded: *Provided*, That information heretofore communicated to either house of Congress shall not be repeated, but reference to the documents where the same is to be found shall be made, and names of subscribers to popular loans since June, 1877, to whom no commissions have been paid or allowed may be omitted.

In reply, I have to state that immediately upon receipt of the resolution steps were taken with a view to presenting fully, and in detail, the information called for.

It was ascertained, however, that, in compliance with House resolutions, the Treasury Department had already furnished part of the information sought, in its letters dated April 23, 1868, and April 2, 1874, as will be seen by H. R. Executive Document No. 265, Fortieth Congress, second session, and H. R. Executive Document No. 207, Forty-third Congress, first session.

Since the 1st of January last, the refunding of 6 per cent. bonds into 4 per cents has been of such unprecedented magnitude as to require the unremitting attention until late at night of every clerk in the department familiar with such duties, and has also required a transfer to these duties of many experienced clerks from other bureaus, and consequently there has been some delay in preparing the information desired.

I send you herewith statement showing the accounts with the several national-bank depositaries, from which will appear, at a glance, the time which each bank held its deposits before transferring them to sub treasury offices.

These moneys were at all times amply secured by deposits of United States bonds with the department, and were subject at all times to the draft of the Treasurer of the United States.

No moneys have been transferred from the Treasury to the banks.

It should be stated, however, that in the majority of instances the credits given by the Treasurer of the United States for moneys transferred to his own office consisted of the proceeds of called bonds delivered by the banks in payment of their subscriptions several days before the credits appear, time being required to examine the bonds, and to adjust the interest thereon. I also send a statement showing in detail the commissions allowed on the sale of 4 per cent. bonds made by popular subscriptions to the 1st instant.

In addition to these commissions there have been paid contracting parties commissions in amount and on conditions as hereinafter stated.

By an agreement with L. von Hoffmann & Co., of New York, a subscription was made by that firm June 3, 1874, for $5,000,000 of new fives, in which the firm received a commission of ¼ of one per cent., and on the following date a subscription for $1,000,000 of these bonds was received from Kuhn, Loeb & Co., on which a like commission was paid.

The bonds were sold for refunding purposes. On the 28th of July, 1874, a contract was entered into between Mr. Bristow, the Secretary of the Treasury, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and Messrs. J. & W. Seligman & Co., of New York, for themselves and associates, for the further negotiation of the 5 per cent. bonds. The terms and conditions are fully set forth on pages IX and X of the Secretary's annual report for 1874.

In substance it may be stated that the contracting parties paid for the bonds par and accrued interest to the date of the maturity of each call, and received a commission of ¼ of one per cent. on the amount of the sales, from which were to be paid the expenses incurred in sending the bonds to London, and in transmitting from there to the Treasury the called bonds and coupons received in payment, leaving ¼ of one per cent. at the disposal of the department from which to pay for preparing the bonds and other charges incidental thereto.

At the time this contract was made the 5 per cent. bonds of the kind contracted for were selling in small lots in the open market at a price somewhat above par, in coin, exclusive of the accrued interest, and this increased value of the bonds enabled the department to obtain somewhat better terms than those of previous contracts. The amount sold

under this contract was $45,000,000, on which the contracting parties received a commission, as stipulated, of ¼ of one per cent. On January 29, 1875, this contract was renewed, the contracting parties being Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., London; and Messrs. J. & W. Seligman & Co., of New York, on behalf of Seligman Brothers, of London.

The conditions of the contract were so modified that the contracting parties received a commission of one-half of one per cent. on $122,682,550 bonds sold for refunding purposes, and one per cent. on $15,215,500 bonds sold for purposes of carrying into effect the third section of the act of January 14, 1875, from which commission they defrayed all expenses connected with the issue, including expenses of preparing the bonds.

The next contract was for the negotiation of the four and one-half per cent. bonds, and was made by Secretary Morrill, August 24, 1876, the contracting parties being Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, and Messrs. J. & W. Seligman & Co., for themselves and associates, and Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co., and Messrs. Morton, Bliss & Co., for themselves and associates. Under this contract the contracting parties were to pay accrued interest on the bonds to the date of their application for delivery, and to pay all expenses of the issue, including the preparation of the bonds, and were to receive a commission on the amount negotiated of one-half of one per cent.

When I entered upon the duties of my present office, March, 1877, there had been sold under this contract $90,000,000 of these bonds.

In the following May it became apparent that the condition of the money market had become so favorable that four per cent. bonds could be sold at par, and I therefore availed myself of a privilege secured by the contract, and gave notice that the sale of the 4½ per cent. bonds would be limited to $200,000,000, and of this amount an agreement was made that $15,000,000 should be applied to resumption purposes.

Sales were rapidly made to the amount of $185,000,000 for refunding purposes, and $15,000,000 for resumption purposes. The expenses were paid and the commission allowed as per terms of the contract.

At that time there had been issued in redemption of 6 per cent. bonds $486,043,000 of five per cents, and $185,000,000 of four and one-half per cents, making a saving in the annual interest charge of $7,635,430.

On the 9th day of June following, I made a contract with Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of J. S. Morgan & Co., of London, and themselves; Messrs. J. & W. Seligman & Co., New York, on behalf of Messrs. Seligman Brothers, of London, and themselves; Messrs. Morton, Bliss & Co., of New York, on behalf of Morton, Rose & Co., of London, and themselves, and the First National Bank of New York City, for the sale at par, in coin, of four per cent. bonds; the conditions as to accrued interest and commissions were in substance as in the previous contract, but I reserved the right to open the loan to popular subscriptions for a period of thirty days. Such subscriptions were opened, and within the period mentioned they reached the amount of $75,496,550, of which I reserved for resumption purposes $25,000,000. Additional sales of 4 per cent. bonds in small amounts were made during the following winter and spring by popular subscription, but the condition of the money market

at that time did not give much encouragement for the further sales at par of bonds bearing so low a rate of interest.

Recognizing the duties imposed upon the Secretary of the Treasury to prepare for the redemption in coin of United States notes on January 1, 1879, I entered into a contract April 11, 1878, with the parties of the previous contract, for the sale of $50,000,000 4½ per cent. bonds for resumption purposes, at a premium of one and one-half per cent., the parties to defray the expenses of the preparation and issue of the bonds, and to receive a commission of one-half of one per cent. on the amount issued. The rates obtained were somewhat above the market value of the bonds at the time the contract was made and were the best rates I could obtain.

The bonds were taken and paid for in accordance with the terms of the contract, and the commissions have been paid the contracting parties as called for by the terms of the contract.

The confidence of eminent bankers in the value of our securities, as shown by this contract, extended throughout the country and the money markets of the world, and enhanced the value of the 4 per cent. bonds. Desirous of popularizing this latter loan among our own people, and there being no contract existing with any party for the sale of bonds, I, on the 20th of June, 1878, solicited popular subscriptions and invited all banks and bankers to aid in bringing the bonds within the reach of all the people.

As the proceeds of the sales could be used under the law only in the purchase of a like amount of 6 per cent. bonds, and these could not be called in except upon a notice of three months, the money received from the sales was permitted to remain in the banks properly secured until needed to meet the payment of the called bonds, usually somewhat less than three months, as calls were frequently made in advance of subscriptions.

In this way the exchange of the bonds was made without interfering with the volume of the currency outstanding, or causing any interruption to the ordinary business of the country.

In no case has public money been delivered to any parties upon collateral or otherwise. I inclose the several circulars showing the terms on which the loan has been disposed of and the interest adjusted. In this way there has been taken, mostly in this country, to the 1st instant, since January 1, 1878, about $377,000,000, causing a like reduction in the amount of six per cents, and an annual saving for all time in the interest charge of $7,540,000.

I am also pleased to state that after paying the commissions and the expenses of the issue, so far as can be ascertained to date, there remains in the Treasury unexpended of the amount allowed by law $637,819.18.

No favor has been shown any of the subscribing parties, and the loan is still open for any one who wishes to make a subscription on the terms offered.

To further facilitate the diffusion of the public debt among the masses, I recommended in my last annual report such modifications of the resumption laws as would permit the issue of interest-bearing certificates of deposit of the denomination of $10, to be convertible into 4 per cent. bonds. Congress, by the act approved February 26, 1879, made the necessary modifications, and a circular was issued the 12th instant (copy inclosed) inviting subscriptions, and extending to public officers the privilege of becoming agents for their sale. Encouraging responses are being made, and there is reason to hope that before the close of the present year all of the remaining 6 per cent. bonds now redeemable, amounting to

$78,079,300, will be converted into these certificates or into 4 per cent. bonds, and mainly held by our own people.

In this connection, I have the honor to suggest that, if the Senate deem the matter of sufficient importance, a committee be authorized to examine into the methods employed by the Treasury in refunding the debt, to the end that any existing method not deemed proper or expedient may be abandoned and better schemes devised.

I shall also be pleased to consult with any member of the Senate who may have any suggestions to offer in the matter, and to open to his inspection all the books and records of the department, showing in detail the transactions in the issue and redemption of the public debt.

Very respectfully, JOHN SHERMAN, *Secretary.*

Papers accompanying letter of the Secretary of March 26, 1879, in answer to Senate resolution of January 24, 1879.

A to L, inclusive, circulars pertaining to loans.
M, statement of commissions paid to subscribers to the 4 per cent. loan.
N, statement of loan accounts of national bank depositaries.

MEM.—This letter, with its inclosures, was printed as Senate Ex. Doc. No. 9, 46th Congress, 1st session.

No. 1008.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *March* 26, 1879.

JAMES GILFILLAN, Esq., *Treasurer United States:*

SIR: As it is desirable to make payment of called bonds in the mode that will least disturb the market, you will draw from the depositary banks the proceeds of four per cent. bonds only when required to make payment of called bonds, and in proportion from the several depositaries to the amounts held by them, as near as may be, in sums of $1,000. Money in the Treasury received from four per cent. bonds should be applied to the payment of called bonds before such drafts are made.

When practicable, drafts upon depositary banks, for transfers of deposits on account of proceeds of four per cent. bonds, may be so drawn as to be payable at the option of the bank, through the New York clearing-house.

Drafts on depositary banks in cities other than New York should be drawn a sufficient time in advance to meet payments there.

Payment by called bonds should be treated as payment in money as of the date when it would, under this order, be required.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1009.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *March* 26, 1879.

CASHIER BANK OF NEW YORK
NATIONAL BANKING ASSOCIATION, *New York:*

SIR: Referring to your letter and statement of the 22d instant, relative to the undelivered balances of four per cent. bonds transmitted to

the assistant treasurer United States, New York, for your bank, I have to inform you that the rule established months since, of requiring 5 per cent. margin when 4 per cent. bonds were deposited with said assistant treasurer, as security for deposits with national banks on account of subscriptions to the 4 per cent. loan, cannot be varied in favor of banks not taking up their bonds promptly, and, as other banks have agreed to take up their bonds this week, or deposit the 5 per cent. margin required, I hope you will either take up the bonds or deposit the amount required to make up the 5 per cent. margin on the 4 per cent. bonds in the hands of the assistant treasurer United States and reported as undelivered.

Checks for the interest due April 1st will be forwarded on the 31st instant.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1010.

Mr. Hawley to Messrs. Clement & Sons.

TREASURY DEPARTMENT, *March* 26, 1879.

Messrs. CLEMENT & SONS, BANKERS,
Rutland, Vt.:

GENTLEMEN: Referring to your letter of the 22d instant, requesting that your bank be designated a United States depositary for the sale of United States refunding certificates, I have to inform you that under the law no banks other than *national* banks can be designated as depositaries for this purpose, and I must therefore decline to grant your request.

It is suggested that you can make arrangements, through national banks, for the deposit of the purchase-money of the certificates.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1011.

Mr. Sherman to Merchants' National Bank, Dayton, Ohio.

TREASURY DEPARTMENT, *March* 26, 1879.

CASHIER MERCHANTS' NATIONAL BANK,
Dayton, Ohio:

SIR: In reply to your letter of the 21st instant, inquiring whether the United States refunding certificates issued under the act of February 26, 1879, are taxable by States, I have to inform you that under the provisions of section 3701 Revised Statutes of the United States the certificates in question are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1013.

Mr. Sherman to Mr. Fox.

TREASURY DEPARTMENT, *March* 26, 1879.

E. W. FOX, Esq., *Saint Louis, Mo.:*

SIR: Your letter of the 24th instant, in which you inquire as to the probable effect of the issue of the ten-dollar refunding certificates, is received.

The primary purpose of these certificates is to enable persons of limited means to husband small savings as they accrue and place them where they will draw interest and become the nest-egg for further accumulations. This form of certificate seems better adapted for the purpose than the French *rentes* or the English savings-bank system. The objection to a national savings bank is that, in a country so extensive as ours, the agencies would necessarily be scattered, and the cost and delay of correspondence and transferring money to Washington would be considerable; but, more than all, the United States cannot undertake the risk of repaying deposits at any time when called for. The necessary reserve for that purpose would make the system burdensome. The certificate, as issued, may, at the option of the subscriber, be either to bearer, or, by being registered, only transferable by assignment on the books of the Treasury. It combines, in the cheapest form, all the benefits of any system of savings banks that has been devised. No doubt those certificates, when first issued, will, by voluntary consent of parties, be used as currency; but, after they shall have run a short time, the accruing interest on them will induce their sorting and holding, and thus, like the compound-interest notes, they will cease to be currency and become an investment. Their possible use as currency is certainly no objection to them; for, though I adhere as strictly as any one to a specie standard of value, I think that, that being constantly maintained by ample reserves and prompt redemption, current money in different forms should be provided for daily use. Diversity of the currency, if it is always redeemable, is no objection. These certificates will always be redeemable in the bonds stipulated for, and can, with profit, be issued, while the money received for them can be used in redeeming bonds bearing a higher rate of interest. They are of as low a denomination as can be conveniently issued and bear interest. The issue of this certificate is a safe experiment. I have confidence that it will be beneficial to the holder, in begetting habits of saving, and to the Treasury, in aiding refunding; but its great benefit will be that the people themselves will in this way gradually become the holders of our public securities, and will have a direct interest in preserving and maintaining the public faith.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1014.

Mr. Hawley to Mr. Armstrong.

TREASURY DEPARTMENT, *March* 26, 1879.

M. K. ARMSTRONG, Esq., *Saint James, Minn.:*

SIR: In reply to your letter of the 19th instant, requesting to be designated a United States depositary for the sale of United States refund-

ing certificates under the provisions of department circular of March 12, 1879, I have to inform you that only national banks and public officers can be designated as depositaries for this purpose, and I must, therefore, decline to grant your request.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1015.

Mr. Hawley to First National Bank, Boulder, Colo.

TREASURY DEPARTMENT, *March* 26, 1879.

CASHIER FIRST NATIONAL BANK, *Boulder, Colo.:*

SIR: Referring to your letter of the 19th instant, asking what amount of bonds must be deposited to enable your bank to act as a United States depositary for sale of United States refunding certificates, I have to inform you that no security bonds are required previous to the designation of a bank for the purpose mentioned. If you desire to have your bank designated a United States depositary to receive deposits on account of subscriptions for the United States refunding certificates, act of February 26, 1879, and will so inform this office, such designation will be made and the necessary blanks sent you.

For your further information on this subject, I inclose herewith a copy of department's circular of the 12th instant.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1016.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 27, 1879.

SHERMAN, *Washington:*

Would be pleased to know if subscriptions to be settled during April can be expected without disturbing market in New York.

CONANT.

No. 1017.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *March* 27, 1879.

CONANT, *London:*

Entirely confident subscriptions during the next month will be settled without disturbing the market.

Order of the Treasury Department yesterday will facilitate greatly.

SHERMAN.

No. 1018.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *March* 28, 1879.

SHERMAN, *Washington:*

Rothschild & Sons request me to say they do not consider contract of January 21, 1879, requires subscription two million to be made April 1.

On account of market price below par at the present time they desire delay subscription few days. Hope you will consent.

CONANT.

No. 1019.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *March* 28, 1879.

CONANT, *London:*

I think contract of January 21, 1879, very plain subscription should be made April first, but if they desire, time will be extended to April eighth.

SHERMAN.

No. 1020.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

TREASURY DEPARTMENT, *March* 28, 1879.

AUGUST BELMONT & Co., *New York*:

The contract is very plain that the next subscription should be made by April first. The stipulation for five million each month would have made the second subscription in February or March, but by the agreement it need not be made before April first.

JOHN SHERMAN, *Secretary.*

No 1021.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *March* 28, 1879.

Messrs. AUGUST BELMONT & Co., *New York*:

GENTLEMEN: In confirmation of my two telegrams of to-day to you, copies of which are inclosed, I have to inform you that the proper legal officers of the department, as well as myself, consider it very clear that under the contract of January 21 your option to make the second subscription expires on the 1st of April, but I am not at all desirous of

raising the question, and therefore am willing to extend the time a week, within which I am quite confident the anxiety about the April payments will begin to subside. Thus far this week over $17,000,000 called bonds have been redeemed by credit on subscriptions and $450,000 only paid by draft. Called bonds are rapidly coming in for credit. The subscriptions in excess of bonds called now amount to $6,600,000. With an assurance of a subscription of $2,000,000 from you by the 1st or even the 8th of April, I would immediately issue a call for $10,000,000, and may do so without waiting for your subscription.

I would prefer that the parties to the contract should not avail themselves of the extension offered, but leave that entirely to your good judgment.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1022.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *March* 28, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We received this morning a telegram from Messrs. Rothschild about the next subscription under the contract of the 21st of January, and telegraphed its contents to you, as follows:

London associates telegraph consider according contract have all month April to make next subscription. Please telegraph whether you agree they are right.

In reply, we received your telegrams reading:

The contract is very plain that the next subscription should be made by April first. The stipulation for five millions each month would have made the second subscription in February or March, but by the agreement it need not be made before April first.

and—

Have cabled Conant to extend option, if desired, to April eighth.

contents of which we have communicated to our London friends.

Yours, very respectfully,

Per pro AUGUST BELMONT & CO.
W. SUTTGEN.
W. BEUTER.

No. 1023.

Mr. Sherman to Walker Brothers.

TREASURY DEPARTMENT, *March* 28, 1879.

Messrs. WALKER BROTHERS,
Salt Lake City, Utah:

GENTLEMEN: Your letter of the 20th instant, stating that you have on hand $16,000 in silver half-dollars, taken at par in payment of merchandise, and inquiring whether the department will issue a like amount of four per cent. bonds for this silver delivered at Washington, has been received.

In reply I have to inform you that under the law the proceeds of the sale of four per cent. bonds can be used only for the payment of public indebtedness bearing a higher rate of interest, for which payment fractional silver coin is not available as it is a legal tender only to the amount of five dollars in any one payment.

The department must, therefore, decline to accept the coins as suggested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1024.

Ninety-third call.—Redemption of 5-20 bonds of 1865—Consols of 1867.

TREASURY DEPARTMENT,
Washington, D. C., March 29, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the twenty-ninth day of June, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867:

$50—No. 111001 to No. 117000, both inclusive.	
$100—No. 208001 to No. 220000, both inclusive.	
$500—No. 108001 to No. 112000, both inclusive.	
$1,000—No. 194001 to No. 203000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872:"

$1,000—No. 44551 to No. 44600, both inclusive.	
$5,000—No. 15801 to No. 16450, both inclusive.	
Total registered	3,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to the "Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 1025.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, March 29, 1879.

DEAR MR. SECRETARY: On the 27th instant I had the honor to make an inquiry of you by cable dispatch, as follows: "Would be pleased to know if subscriptions to be settled during April can be effected without disturbing market in New York." The constant decline in the price of all descriptions of our bonds in New York, the strenuous efforts being made by certain parties to sell American bonds here at low rates on home account, particularly the 4 and 4½ per cent. stock, the advancing rates of interest, and the condition of the exchanges, together with the rumors concerning scarcity of money in New Orleans and elsewhere, gave rise to apprehensions in the minds of many that refunding operations had been carried to too great an extent; that too many bonds had been subscribed for on speculative account, and that any forced settlement of the subscriptions falling due in April would produce a panic. Private telegrams sent here conveyed information to the effect that arrangements would be made between yourself and the banks by which the deposits in them would not be drawn upon until absolutely necessary. The answer, however, which I received from you a few hours later was highly gratifying and reassuring, and I gave it as much publicity as possible without, of course, publishing it. It read as follows: "Entirely confident subscriptions during the next month will be settled without disturbing the market. Order Treasury Department yesterday will facilitate greatly." The question of obligation to make a subscription on the 1st day of April to continue the contract has been under consideration by the syndicate during the past week, and in fact ever since the beginning of the decline in the price of the 4 per cent. stock. The associates claim that they are only required to take five millions of the bonds during the month of April, and that having already taken three-fifths of the amount in advance, they should, in view of the impossibility of disposing of the stock at present prices, be allowed the balance of the month in which to subscribe for the remaining two millions. They argue that it cannot be expected that they can afford to take the bonds and pay the government one and one-half per cent. above the market prices, and they add that they do not think you would wish to have them do so. They also say that if they wanted the bonds for *speculative purposes only* they should give up the contract and purchase in the open market; but their policy is to keep the price at par and not to buy or sell when it is below par. Bonds will sell more rapidly when they are at par than when below it. It is the speculators and not the investors, as a rule, who deal in stocks when they are cheap. If the price of the bonds had remained at par, I have no doubt but that all the bonds I have here would already have been disposed of, and that the parties would have been ready and willing to make the subscription for five millions on April 1.

The Messrs. Rothschild say that, owing to the high price which they were compelled to pay for called bonds, and the reduced price at which they were obliged to part with a portion of the four per cent. bonds, they have made a slight loss on their transactions so far. They like to have business relations and connections with governments, and I think that that disposition on their part is paramount to the question of profits. The matter of the subscription was discussed again yesterday,

and deferred until Monday for further consideration, and I was asked to send the following cable message to you:

"Rothschild & Sons request me to say they do not consider contract of January 21, 1879, requires subscription $2,000,000 to be made April 1st. On account of market price below par at the present time, they desire delay subscriptions few days. Hope you will consent."

I hoped you would consent, because I think it quite important, for many reasons, that we should dispose of bonds on this side of the water. They take the place of actual gold in settling exchanges, and thereby prevent the disturbances in the money market which always result from the moving of bullion. I have no doubt but that the use of these bonds in this manner has stimulated purchases of grain and produce from us which would never have left our shores if payment for the same could only have been made in bullion. I received this morning your cable message in answer to the one I sent yesterday, as follows: "I think contract of January 21st, 1879, very plain. Subscription should be made April 1st; but if they desire, time will be extended to April 8th." * * * I regret to observe that the price of New York exchange on London advanced ¾ yesterday.

We have canceled during the current week $720,000 called 5-20 bonds for Messrs. McCulloch & Co.

Accompanying this letter will be found official letters, statements, canceled called bonds, and coupons. I also send clippings from the *Times* of the dispatches sent by its Philadelphia correspondent.

Money here and at the chief continental cities continues cheap. The open-market rate at Paris is 2½ per cent.; Berlin, 2¼ per cent.; Frankfort, 2⅛ per cent.; Hamburg, 2 per cent., and here it is 1¾ per cent. Banks are allowing 1½ per cent. for deposits on call. The four leading European state banks have added to their stocks of bullion and specie, within the past year, the sum of £18,787,000.

In my letter of March 1st, I mentioned that a scheme was on foot, having for its object an advance in the price of silver in the interests of India, and gave an account of a petition which was being prepared for presentation to Parliament. A bill was introduced into Parliament yesterday, asking for authority to borrow £10,000,000, the proceeds to be applied to the payment of expenses of administering affairs in India. The council bills which are now drawn for this purpose are at more than 20 per cent. discount, which imposes a heavy burden upon the government of India.

The price of silver has now advanced from 49½*d.* to 50*d.* per ounce. It is said that the German Government has sold £100,000 during the week at 50¼*d.* per ounce.

The bill referred to will meet with some opposition. The chamber of deputies of France has passed Cochery's bill, empowering the post-office department to undertake the collection of debts in amounts not exceeding 500 francs. The creditor is to pay one per cent., besides 20 centimes to the postmaster and the collector, who is the letter carrier. The system has been in operation for seven years in Germany, and it has also been tried in Switzerland and Belgium. The French post-office department will also receive subscriptions for newspapers at a charge of 3 per cent.

With great respect, I remain, yours truly,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

No. 1026.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 29, 1879.

To the Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: Your letter requesting 4 per cent. bonds to be taken up or a deposit of 5 per cent. to be made, came yesterday morning. We have been, as you are aware, taking up quite freely; our subscription since 1st January amounts to over $33,000,000. We have taken up above $14,000,000. Our customers, nearly all of them, have sold their bonds or arranged to get in called bonds for them. One of the subscribers, Messrs. Wormsers, send a great many of their bonds abroad and get back called bonds. We think this quite an advantage, as it pays for the called bonds with the 4 per cents. We have been careful in taking subscriptions from parties, so as to prevent, if possible, any *speculative* subscriptions, and we apprehend no difficulty if a little and reasonable time is allowed by you to clear away the enormous subscriptions. You may depend on our doing all that is possible to facilitate and hasten the settlements, and the withdrawal of the fours. We feel sure that you appreciate the importance of preventing any serious pinch in the money market, as that would only retard the settlements. Even this week we have had a very nervous and uneasy feeling in the street about money and the trouble that may be caused by the large settlements to be made for 4 per cents in April. We are just in the midst of, we think, a fair spring's business, and any serious disturbance in the money market would do great harm to the business of the country. If the April and May subscriptions can be moved along quietly and smoothly, we are inclined to think both this country and Europe will begin to invest again in 4 per cents by July and August.

If you could make it convenient to come on and spend a few days here early in April, we think it would do good and help to quiet the nervous feeling.

Hoping you may be able to do so, we remain, yours faithfully,
CHAS. M. FRY, *President.*

P. S.—The bank statement this week shows a loss of $7,000,000 in deposits and indicates a stringent money market next week.
C. M. F., *President.*

No. 1027.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *March* 31, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 29th instant, inclosing a subscription of $3,000,000 to the 4 per cent. loan, is received, and also your note requesting that the subscription be not announced, as you may wish to withdraw it or reduce the amount.

I have to say that you should at once notify the department whether the subscription is to be reduced or withdrawn.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1028.

Mr. Sherman to Bank of New York National Association.

TREASURY DEPARTMENT, *March* 31, 1879.

CHARLES M. FRY, Esq.,
President Bank of New York National Banking Association, New York:

SIR: Your letter of the 29th instant is received.

Careful attention will be given to facilitate in every proper way settlements for the 4 per cent. bonds.

It is my purpose to be in New York next week, probably as early as the 8th, when I will be glad to hear from you any suggestion in regard to the subject-matter.

The money market in New York need not be disturbed by the refunding operations upon the basis of my letter to the Treasurer, dated the 26th instant, published in the newspapers.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1029.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, March 31, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: Yours of the 26th instant was duly received and acknowledged at the time by President Fry. We did not understand rule in reference to 5 per cent. deposit to apply to subscription stock, but only to such as was redeposited.

We have, in compliance with your letter, deposited as margin bonds to the par value $630,000; as other bonds arrive from Europe which we are expecting, we will complete the deposit.

Yours, respectfully, R. B. FERRIS, *Cashier.*

No. 1030.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 1, 1879.

SHERMAN, *Washington:*

Messrs. N. M. Rothschild & Sons subscribe for one million 4 per cent. consols. CONANT.

No. 1031.

Messrs. Belmont & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 1, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury, Washington, D. C.:*

Messrs. Rothschild telegraph they subscribe for one million to-day.

AUGUST BELMONT & CO.

No. 1032.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *April* 2, 1879.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: Referring to department's instructions dated February 28 last, concerning the application of the proceeds of called bonds to the payment of subscriptions to the 4 per cent. consols of 1907, and to my letter of the 21st ultimo, modifying said instructions so as to direct that the proceeds of bonds embraced in calls 76 to 80, inclusive, may be applied at once to the payment of any subscriptions to the said loan, I have now to inform you that the said instructions are again modified so as to include bonds embraced in calls up to and including the eighty-third.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1033.

Mr. Sherman to Deputy Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *April* 2, 1879.

C. H. PATTERSON,
Deputy Assistant Treasurer United States, New York, N. Y.:

SIR: I am in receipt of your letter of the 1st instant, in which you inquire whether the 4 per cent. refunding certificates will be received at this department in payment for 4 per cent. consols subscribed for prior to the issue of said certificates; and in reply thereto, I have to inform you that the 4 per cent. refunding certificates are convertible into 4 per cent. consols upon their receipt at this department, but they are not receivable in payment of subscriptions made for said bonds, either before or after the issue of said certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1034.

Mr. Sherman to City National Bank, Griffin, Ga.

TREASURY DEPARTMENT, *April* 2, 1879.

CASHIER, CITY NATIONAL BANK, *Griffin, Ga.:*

SIR: Your letter of the 22d instant, stating that your bank has been designated a United States depositary to receive deposits on account of subscriptions for United States refunding certificates, and has placed United States bonds with the Treasurer of the United States to secure them, and asking that your bank be permitted to continue to receive deposits on the account, has been received. In reply I have to inform you that since your bank was designated a depositary for this purpose a subscription has been received from a national bank depositary for the whole amount of the certificates offered for sale.

As the department declined this subscription, it does not now feel at liberty to dispose of the certificates other than as provided in department's circular of April 18, 1879, copy inclosed, and I must therefore decline to grant your request.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1034½.

Memorandum for the press.

APRIL 2, 1879.

The Treasury Department will now redeem called bonds embraced in the seventy-seventh to the eighty-third calls, inclusive, paying interest to the date of redemption, or it will redeem at once bonds included in said calls, with interest to date of maturity, and apply proceeds to the payment of any subscription for the 4 per cent. consols.

No. 1035.

Mr. Sherman to postmaster, Chatham, Mass.

TREASURY DEPARTMENT, *April* 2, 1879.

POSTMASTER, *Chatham, Mass.:*

SIR: In reply to that portion of your letter of the 29th ultimo in which you ask if the United States refunding certificates must be converted into 4 per cent. bonds, I have to inform you that the certificates are redeemed only by conversion, with accrued interest, into 4 per cent. bonds; they may, however, be transferred at any time, at the pleasure of the holder, without indorsement, the same as United States or national-bank notes.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1036.

Ninety-fourth call.—Redemption of 5-20 bonds of 1865—*Consols of* 1867.

TREASURY DEPARTMENT,
Washington, D. C., April 3, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds herein below designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 3d day of July, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1867:

$50—No. 117001 to No. 123000, both inclusive.	
$100—No. 220001 to No. 234000, both inclusive.	
$500—No. 112001 to No. 115000, both inclusive.	
$1,000—No. 203001 to No. 213000, both inclusive.	
Total coupon	$7,000,000

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the first day of July,* 1872":

$5,000—No. 16451 to No. 17050, both inclusive.	
Total registered	3,000,000
Aggregate	$10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 1037.

Mr. Sherman to Mr. Bayard.

TREASURY DEPARTMENT, *April* 3, 1879.

Hon. THOMAS F. BAYARD,
Chairman Committee on Finance United States Senate:

SIR: I have the honor to send you a copy of a statement, made to the 1st of April, of the refunding of the four per cent. consols, together with the cost, from which you will see a very satisfactory saving in the amount appropriated.

I also inclose a proposed amendment to the House bill No. 6516, now in the hands of Senator Kernan, the adoption of which I recommend in case legislation is entered upon during the present session.

In view of the probability of the completion of refunding the 5-20 bonds before the regular meeting of Congress, I have to suggest the importance of this legislation at the present session.

Very respectfully, JOHN SHERMAN, *Secretary.*

Monthly statement for March, 1879.

Subscriptions for March, 1879, for 4 per cent. consols:	
For redemption purposes	
For refunding purposes	$20,852,100
Expenses paid on account of the 4 per cent. negotiations:	
Commissions paid to the syndicate	$317,869 68
Commissions paid under the circulars	850,183 55
For extra force employed	41,836 50
Transportation by express, messengers, &c	90,517 35
Engraving plates and printing bonds	153,908 14
Incidental expenses	5,679 03
Total	1,459,994 25
Total amount of subscriptions to the 4 per cent. consols of 1907, to March 31, 1879, inclusive	$473,443,400

2.

One-half of one per cent. appropriation on above amount	$2,367,217 00
Amount expended from this fund	1,459,994 25
Remaining unexpended	907,222 75
Due and unpaid (estimated)	225,000 00
Surplus of appropriation, available	682,222 75

Amount of 5-20 bonds called on account of 4 per cent. loan	$445,993,100
Amount paid	229,964,500
Amount matured and unpaid	2,178,800
Amount unmatured redeemed	66,147,200
Amount unmatured still outstanding	213,852,800

No. 1038.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, April 3, 1879.

DEAR MR. SECRETARY: In regard to the inquiry made in your esteemed letter of the 15th ultimo, whether I can suggest any way by which arrangement can lawfully be made for exchange on London, say to the extent of $10,000,000, in April or May, to be drawn upon, if necessary, I will say that I see no legal obstacle in the way of such an arrangement. The plan I should propose to effect the same would be as follows: The bonds sent to me for that purpose I should deliver to the Messrs. Rothschild *et al.* as sold by them, upon the receipt from them of a certificate of deposit, in payment of the same, to my credit in the Bank of England. (The bank will not receive deposits on account of foreign governments.) The deposits to be drawn against in New York by the sale of bills of exchange, say, by Messrs. A. Belmont & Co.; Drexel, Morgan & Co.; Morton, Rose & Co.; and J. & W. Seligman & Co., or their respective correspondents here. The proceeds of each bill of exchange sold by either of the parties to be immediately paid into the subtreasury in New York as a receipt on account of the sales of bonds. Upon the receipt of a notice from you, by cable or otherwise, that such deposit had been made, I should pay to the party here on whom such bill had been drawn the amount of the same.

Possibly a better method might be found for drawing against such deposits here. It occurs to me that you might, perhaps, invite bids for exchange on Messrs. Rothschild and draw bills on them yourself, the payment of which would be made here in the same manner as in the plan first proposed.

In a conversation which I had with the Messrs. Rothschild concerning the matter, they suggested a different course. They proposed that the transaction should be made similar to one which they say they had with the department in 1873, when Mr. Cattell was in charge of matters here. Then $6,400,000 in bonds were delivered to them, in payment of which they gave a letter of credit. The amounts paid on the same were credited thereon until the total amount was extinguished.

* * * * * * *

In case the exchange provided for should not be required, the parties named could furnish me with called bonds and coupons, upon the receipt

of which I should release the deposits in the bank. All contracts heretofore made have provided that the contracting parties might pay in coin (United States gold coin, I believe), and the agency here has been instructed that when coin paid in should accumulate so as to incur risk in taking care of it, it should be deposited in the Bank of England. Large sums were deposited there in 1873, which were subsequently employed in the payment of the 6 per cent. bonds. I do not know that it would be out of place for me to say a word in favor of your making such an arrangement as the one I have been discussing, as a matter of prudence. If it should so happen that during next month large shipments of gold should be made from New York, and a panic be created thereby, you would, of course, be censured for not having made some such arrangement by which certain people would claim that a calamity might have been averted. On the other hand if nothing shall occur to disturb the quietude of the markets, the exchanges and gold, then the matter of the provision for a contingency that might have arisen in the course of such enormous transactions would be justified and considered wise. If you should deem it proper to take any action with the view of providing exchange, I should suggest that the sales of bonds for that purpose should be treated as sales on account of resumption, and that the bonds should be taken from the reserve of the $50,000,000 4½ per cents, for the reason that if an emergency should arise which would make the sales of bonds necessary, it would preclude the sale of the 4 per cent. bonds, while at the same time 4½ per cent. bonds could be disposed of. The Messrs. Rothschild say they would gladly undertake the sale on commission. The fact, however, that a call has been made since your letter was written, taken in connection with the remark made therein, "that you would prefer not to sell any more bonds for the domestic market until you were absolutely sure of the sale abroad of an amount which, with the balance of trade in our favor, will be sufficient to cover the called bonds held here," leads me to think that the condition of financial matters at home has been materially changed within the last two weeks, and that the fact in itself has settled the question of the shipment of gold and of providing for exchange.

With great respect, I remain, your obedient servant,

CHAS. F. CONANT.

No. 1039.

National Bank of Commerce, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.;

National Bank of Commerce in New York subscribes for forty million dollars four per cent. bonds.

Particulars and certificates by mail.

HENRY F. VAIL, *President.*

No. 1040.

Mr. Sherman to National Bank of Commerce, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879.

HENRY F. VAIL,
President National Bank of Commerce, New York:

Before making call, prefer you to repeat your subscription.

JOHN SHERMAN, *Secretary.*

No. 1041.

National Bank of Commerce, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

I sent you telegram to-day, which from its importance I beg you will telegraph me acknowledgment of its receipt.

HENRY F. VAIL, *President.*

No. 1042.

Mr. Sherman to National Bank of Commerce, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879.

HENRY F. VAIL,
President National Bank of Commerce, New York:

Your telegram is received, and I have asked repetition of it before making call.

JOHN SHERMAN, *Secretary.*

No. 1043.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4 [1879].

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Please enter to-day for us a subscription for ten millions dollars four per cents, making, however, no announcement until we see you to-morrow.

G. F. BAKER, *President* [*First National Bank*].

No. 1044.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4 [1879].

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

We have taken two millions subscriptions to-day thus far, and more to follow.

E. D. RANDOLPH,
President [*Continental National Bank*].

No. 1045.

National Bank of Commerce, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4 [1879].

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Your two telegrams received. I hereby confirm my telegram of to-day, subscribing in name of National Bank of Commerce, in New York, for forty millions dollars four per cent. bonds.

HENRY F. VAIL, *President.*

No. 1046.

Mr. Sherman to National Bank of Commerce, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879.

HENRY F. VAIL,
President National Bank of Commerce, New York:

Your subscription for forty millions four per cent. bonds, having been repeated by telegram, is accepted. A call will issue to-day for the balance of the sixty-sevens and to-morrow a call will issue for the whole of the sixty-eights.

JOHN SHERMAN, *Secretary.*

No. 1047.

Mr. Sherman to Continental National Bank, New York.

[Telegram.]

APRIL 4, 1879.

E. D. RANDOLPH, *President, &c., New York:*

Your two-million subscription received and accepted, but can accept no more. All the five-twenties are covered.

JOHN SHERMAN, *Secretary.*

No. 1048.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We subscribe for three millions more, making five in all.

F. TAYLOR,
Cashier Continental National Bank.

No. 1049.

Mr. Sherman to Continental National Bank, New York.

[Telegram.]

APRIL 4, 1879.

F. TAYLOR, *Cashier Continental National Bank, New York:*

Your subscriptions for three millions arrived too late; all the five-twenties have been covered by previous subscriptions.

JOHN SHERMAN, *Secretary.*

No. 1050.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

This bank subscribes for twenty-five millions four per cent. bonds, which, together with a subscription for a like amount made this day by the Hanover National Bank, is intended to cover as nearly as may be the whole amount necessary for the redemption of all the five-twenties now outstanding, and is made jointly with the above on the assumption that your views as to the terms for further sales of four per cents, as heretofore expressed in your circular of March 4, remain unchanged.

E. D. RANDOLPH, *President.*

No. 1051.

Hanover National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

This bank subscribes for twenty-five millions ($25,000,000) four per cent. bonds, which, together with a subscription for a like amount made

this day by the Continental National Bank, is intended to cover as nearly as may be the whole amount necessary for the redemption of all the five-twenties now outstanding, and is made jointly with the above on the assumption that your views as to the terms for further sales of four per cent. bonds, as heretofore expressed in your circular of March fourth, remain unchanged.

JAS. T. WOODWARD,
President Hanover National Bank.

No. 1052.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

Our last telegram is in addition to orders per two former dispatches, making our total subscriptions of to-day thirty millions.

E. D. RANDOLPH,
President Continental National Bank.

No. 1053.

Mr. Sherman to Continental National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879—6.15 p. m.

E. D. RANDOLPH, *President, New York:*

Your subscription for twenty-five millions too late. Five-twenties all covered.

JOHN SHERMAN, *Secretary.*

No. 1054.

Mr. Sherman to Hanover National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879—5.55 p. m.

JAMES T. WOODWARD, *President Hanover Bank, New York:*

Your subscription for twenty-five millions too late. Five-twenties all covered.

JOHN SHERMAN, *Secretary.*

No. 1055.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington D. C.:

We have taken subscriptions to-day under the old terms for two millions four per cents. Advice by mail. R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1056.

Mr. Sherman to Bank of New York National Banking Association.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879—6.05 p. m.

R. B. FERRIS, *Cashier*
Bank of New York National Banking Association:

Your subscription too late. Five-twenties all covered.
JOHN SHERMAN, *Secretary.*

No. 1057.

Mr. Sherman to Bank of New York National Banking Association.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879—6.15 p. m.

R. B. FERRIS, *Cashier*
Bank of New York National Banking Association:

Your subscription for two millions too late. Five-twenties all covered by prior subscriptions. JOHN SHERMAN, *Secretary.*

No. 1058.

First National Bank of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary Treasury, Washington, D. C.:

If in press dispatches you have occasion to mention Bank of Commerce subscription, you may mention ours also.

G. F. BAKER,
President First National Bank New York.

No. 1059.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *April* 4, 1879.

CONANT, *London:*

Subscriptions have been made covering all 5-20 bonds (consols of 1867 and consols of 1868) outstanding, reserving for contracting parties the one million not subscribed for.

Inform the contracting parties and accept no new subscriptions.

SHERMAN.

No. 1060.

Ninety-fifth call.—Redemption of 5-20 *bonds of* 1865—*Consols of* 1867.

TREASURY DEPARTMENT,
Washington D. C., April 4, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1867, will be paid at the Treasury of the United States, in the city of Washington, on and after the 4th of July, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS, *dated July* 1, 1867:

$50—No. 123001 to No. 128833, both inclusive.
$100—No. 234001 to No. 245000, both inclusive.
$500—No. 115001 to No. 118580, both inclusive.
$1,000—No. 213001 to No. 227429, both inclusive.

REGISTERED BONDS,

"Redeemable at the pleasure of the United States after the 1st day of July, 1872:"

$50—No. 3251 to No. 3279, both inclusive.
$100—No. 23701 to No. 23829, both inclusive.
$500—No. 11561 to No. 11588, both inclusive.
$1,000—No. 44601 to No. 44732, both inclusive.
$5,000—No. 17051 to No. 19266, both inclusive.

The bonds *outstanding* and represented by the above-mentioned numbers constitute the residue of those issued under the act of March 3, 1865, consols of 1867.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 1061.

Ninety-sixth call.—Redemption of 5-20 bonds of 1865—Consols of 1868.

TREASURY DEPARTMENT,
Washington, D. C., April 4, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "five-twenty bonds," of the act of March 3, 1865, consols of 1868, will be paid at the Treasury of the United States, in the city of Washington, on and after the 4th day of July, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS, *dated July* 1, 1868:

$50—No. 1 to No. 15902, both inclusive.
$100—No. 1 to No. 36779, both inclusive.
$500—No. 1 to No. 13111, both inclusive.
$1,000—No. 1 to No. 26455, both inclusive.

REGISTERED BONDS,

"*Redeemable at the pleasure of the United States after the* 1st *day of July,* 1873:"

$500—No. 1 to No. 2087, both inclusive.
$1,000—No. 1 to No. 7088, both inclusive.
$5,000—No. 1 to No. 1816, both inclusive.
10,000—No. 1 to No. 2613, both inclusive.

The bonds included in the above-mentioned numbers constitute the entire amount outstanding of those issued under the act of March 3, 1865, known as consols of 1868, and are the last of the United States five-twenty bonds.

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 1062.

Mr. Sherman to the Assistant Treasurers of the United States.

[Telegram.]

TREASURY DEPARTMENT, *April* 4, 1879.

ASSISTANT TREASURER UNITED STATES, *New York:*

Until further notice receive no more subscriptions to the four cent. bonds except ten dollar certificates. All the five-twenties covered.

JOHN SHERMAN, *Secretary.*

Copy of the above telegram sent to the following:
Assistant treasurer United States, Baltimore, Md.
Assistant treasurer United States, Boston, Mass.
Assistant treasurer United States, Philadelphia, Pa.
Assistant treasurer United States, Cincinnati, Ohio.
Assistant treasurer United States, Chicago, Ill.
Assistant treasurer United States, San Francisco, Cal.
Assistant treasurer United States, Saint Louis, Mo.
Assistant treasurer United States, New Orleans, La.

No. 1063.

CICULAR.

1879.
Department No. 58.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, April 4, 1879.

Subscriptions to the four per cent. consols having been received to the full amount of the 5-20 six per cent. bonds outstanding, the circular of this department of the date of January 1, 1879, inviting such subscriptions, is rescinded.

The ten dollar refunding certificates will be sold as heretofore, under the circulars of the dates of March 12 and 26.

The four per cent. consols will hereafter be sold for the redemption of 10-40 bonds of the act of March 3, 1864, upon terms to be hereafter prescribed.

JOHN SHERMAN, *Secretary.*

No. 1064.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 4, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: We send you to-day subscriptions to the amount of two million dollars for the 4 per cent. funded loan. We have just heard, after the close of business, of the large subscription made by the National Bank of Commerce, to cover outstanding 5-20 United States bonds. Acting as agent for the Treasury in the sale of these bonds, we suppose there will be no question about including these subscriptions under the old terms; if not, please advise us by wire, that we may cancel the contracts.

Having now made full deposit of the 5 per cent. margin required with the assistant treasurer here, we will be obliged if you will send forward checks for registered interest on 200,000 bonds in the name of Vermilye & Co., and on 1,000,000 bonds in the name of I. & S. Wormser. Please send these checks to our care.

Yours, respectfully,

R. B. FERRIS, *Cashier.*

No. 1065.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 4, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: In sending you our subsciption for $10,000,000 4s, we make it in the usual form.

But we assume that you will give us upon it whatever additional advantages or facilities (if any) are accorded to the parties to the combination subscription which we hear late in the afternoon has taken the remainder.

I congratulate you upon the very brilliant success you have made in the first quarter of the year.

Consider now whether you had not better ask Congress for authority to retire 6s of 1881, as I suggested to you some time since, instead of expending your ammunition upon the 5s.

Verly truly, yours, H. C. FAHNESTOCK.

No. 1065½.

Memorandum for the press.

The Secretary of the Treasury has announced that subscriptions for the 4 per cent. consols, made and forwarded by mail or express before three o'clock p. m. April 4, will be accepted.

APRIL 5, 1879.

No. 1066.

Mr. Sherman to Continental National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 5, 1879.

E. D. RANDOLPH, *President Continental National Bank, New York:*

Your subscription for twenty-five millions too late. Five-twenties all covered. JOHN SHERMAN, *Secretary.*

No. 1067.

Messrs. Belmont & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 5, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We hereby subscribe on behalf of Messrs. Rothschild and associates for eleven millions fours, for which we have option, under contract January 21. AUGUST BELMONT & CO.

No. 1068.

Mr. Sherman to Messrs. Belmont & Co.

[Telegram.]

April 5, 1879.

AUGUST BELMONT & CO., *New York:*

The five-twenty bonds in respect to which the contract was made are all covered by subscriptions, and your subscription for eleven millions is therefore declined. Subscription for one million balance of extended April option will be accepted if made to-day.

JOHN SHERMAN, *Secretary.*

No. 1069.

Messrs. Belmont & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 5, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Telegram received. We subscribe for one million on account extended option April 1. Associates claim are entitled to further ten millions under contract of January 21. AUGUST BELMONT & CO.

No. 1070.

Manufacturers' National Bank, Boston, to Mr. Sherman.

[Telegram.]

BOSTON, *April* 5, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

We subscribe for two hundred fifty thousand fours, in addition to one hundred thousand subscribed yesterday, to cover sixty-sevens held by you and complete our one million.

F. E. SEAVER,
Cashier Manufacturers' National Bank.

No. 1071.

Mr. Sherman to Manufacturers' National Bank, Boston.

[Telegram.]

TREASURY DEPARTMENT, *April* 5, 1879.

F. E. SEAVER, Esq.,
Cashier Manufacturers' National Bank, Boston, Mass.:

Your subscription of two hundred and fifty thousand received too late.

All the five-twenties are covered. JOHN SHERMAN, *Secretary.*

No. 1072.

Bank of New York National Banking Association, New York.

[Telegram.]

NEW YORK, *April* 5, 1879.

Hon. JOHN SHERMAN, *Secretary of Treasury, Washington, D. C.:*

Our subscription taken in good faith on old terms. Subscribers claim the bonds. Mr. Wormser applies for three millions for his European account.

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1073.

National Bank State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 5, [1879].

SECRETARY OF THE TREASURY, *Washington:*

Has our subscription ordered yesterday, or any part, been accepted?

R. L. EDWARDS,
Cashier National Bank of the State of New York.

No. 1074.

Mr. Sherman to National Bank State of New York.

[Telegram.]

TREASURY DEPARTMEMT, *April* 5, 1879.

R. L. EDWARDS, Esq.,
Cashier National Bank State of New York, New York:

Your subscription received too late; all the five-twenties are covered.

JOHN SHERMAN, *Secretary.*

No. 1075.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORY, *April* 5, [1879].

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

Will you receive from us a subscription for one million refunding certificates and exchange them immediately for four per cent. bonds, as prescribed?

E. D. RANDOLPH,
President Continental National Bank.

No. 1076.

Mr. Sherman to Continental National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 5, 1879.

E. D. RANDOLPH,
President Continental National Bank, New York:

Cannot receive subscription for refunding certificates as stated. I will be in New York Tuesday.

JOHN SHERMAN, *Secretary.*

No. 1077.

Mr. Sherman to Assistant Treasurers of the United States.

TREASURY DEPARTMENT, *April* 5, 1879.

ASSISTANT TREASURER UNITED STATES, *New York, N. Y.:*

SIR: I have to confirm my telegram of yesterday's date as follows: "Until further notice receive no more subscriptions to the four per cent. bonds, except ten dollars certificates. All the five-twenties covered."

Very respectfully, JOHN SHERMAM, *Secretary.*

Copies of the above letter also sent to the following:
Assistant treasurer United States, Boston, Mass.
Assistant treasurer United States, Saint Louis, Mo.
Assistant treasurer United States, Cincinnati, Ohio.
Assistant treasurer United States, Chicago, Ill.
Assistant treasurer United States, New Orleans, La.
Assistant treasurer United States, San Francisco, Cal.
Assistant treasurer United States, Baltimore, Md.
Assistant treasurer United States, Philadelphia, Pa.

No. 1079.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *April* 5, 1879.

Hon. JAMES GILFILLAN, *Treasurer of the United States:*

SIR: The subscriptions to the four per cent. loan having reached an amount sufficient to cover all of the five-twenty bonds, you are hereby directed to receive no more subscriptions to the said loan until further notice.

This notice is not intended to affect subscriptions to the ten-dollar refunding certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1080.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *April* 5, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We telegraphed to you this morning as follows:

We hereby subscribe on behalf of Messrs. Rothschild and associates for eleven millions fours for which we have option under contract January 21st.

To which we received your reply:

The five-twenty bonds in respect to which the contract was made are all covered by subscriptions, and your subscription for eleven millions is therefore declined; subscription for one million balance of extended April option will be accepted if it is made to-day.

The contents of which we note, but we regret that the associates cannot accept this construction of their contract, under which they are clearly entitled to a further sum of ten millions, and we accordingly telegraphed to you again, as follows:

Telegram received. We subscribe for one million on account extended option April first. Associates claim are entitled to further ten millions under contract of January twenty-first.

The terms of the contract, which have been complied with by the associates, cannot possibly be construed otherwise than that they give to the syndicate the option to subscribe for five millions per month up to June 30, or in all for 25 millions, of which, thus far, 14 millions have been taken, leaving 11 millions.

Messrs. Fabbri & Seligman will leave this evening for Washington to consult with you on this subject, and we trust that upon reconsideration you will agree with us as to our rights under the contract.

We remain, very respectfully, yours,

AUGUST BELMONT & CO.

Messrs. Morton, Bliss & Co. have just received a dispatch from Mr. Morton to the effect that you would be in New York on Monday and would reopen the question as to the construction to be given to the contract and submit the same to the Attorney-General. The associates have decided that it will be better to have a full conference on the subject here, in order that all the members may be present, and Messrs. Fabbri & Seligman will therefore not go to Washington. We beg to suggest that it would be agreeable to the associates if the Attorney-General could be present at the meeting. We shall be obliged if you will kindly let us know when it will be agreeable to you to meet the associates.

No. 1081.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 5, 1879.

Hon. JOHN SHERMAN, *Secretary:*

DEAR SIR: Your letter of the 31st ultimo came duly to hand. We were glad to see that you appreciated the situation here and that you proposed visiting New York by the 8th instant.

Yesterday morning, before hearing of any large subscription by a syndicate or any contemplated change in your plans about the 4 per cents, we took from our customers (not speculators), in the usual way, subscriptions for two millions, and so advised you by mail (*the letter had been sent to the post-office*).

Later, about three o'clock, we accepted another subscription for $250,000 just at the time we heard of the change in your programme and the large subscriptions made by Bank of Commerce and others. It seems to us that in equity the subscriptions made or taken by us up to the time of our getting advice that the total amount or balance had been taken should be duly considered and honored by the department; otherwise our friends will be much disappointed. Of course the subscriptions that we were requested to telegraph to-day for, say, $3,000,000, for the Messrs. Wormser, we should be very glad to get for them, as you are aware they have been large subscribers and have sent forward to Europe a large amount.

We refer to this firm because we know they have been active in placing bonds here and in Europe Now as regards the $2,000,000 of which we took subscriptions early in the day, we hope that you will see that we get them, as the subscriptions were made in good faith and before any notice was given that you had closed out all the 4 per cents.

Hoping to have a favorable reply from you, I remain, yours, faithfully,

CHAS. M. FRY, *President.*

P. S.—Your telegram stating that our subscription was too late has just been received. We still believe you will give us the two millions above referred to.

No. 1082.

Continental National Bank, New York, to Mr. Sherman.

CONTINENTAL NATIONAL BANK,
New York, April 5, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Your last two telegrams yesterday afternoon did not reach the bank till after I had left. Of course, however, we had already learned enough to know that our $50,000,000 subscription, made jointly with the Hanover Bank, was hopeless, and that the five-twenties were already all funded, upon which grand consummation pray accept our most cordial congratulations.

Of course we give no credence to newspaper paragraphs, especially to the one inclosed, but it has suggested to us to say to you that behind the $50,000,000 subscription in question there were, in addition to the Hanover and ourselves, nine of our largest banking concerns, private and incorporate, foreign and domestic. The syndicate had been two days in process of formation (and without any knowledge whatever of any similar intent on the part of others), and was so far matured on Thursday that an order for the whole $50,000,000 came very near being sent through this bank on the afternoon of that day. Unluckily, however, for us, it was afterwards decided to take another day to perfect details, and this delay rules us out.

To refer again to newspaper gossip, let me say that some interviews accredited to me I was wholly unaware of till I saw them in print. It seems a few remarks of mine in a neighboring office happened to be made

within ear-shot of a reporter, but it is the furthest from the truth that I at all reflected on the justice of your award, as some of the papers have stated.

Hoping to have the honor of waiting upon you here on Tuesday, I am, very respectfully, your obedient servant,

EDMUND D. RANDOLPH, *President.*

Newspaper item referred to.

After the four per cents that have been offered were all sold, many large subscriptions were received, particularly from New York banks. These were not, of course, accepted. Some of them were forwarded to the Secretary after he had left the department for the day. He is in doubt to-night whether these are all *bona fide* subscriptions, or whether those who sent them were not already aware that no more four per cents were just now for sale, and whether they did not therefore make their offers for fame and not for the purpose of obtaining the bonds.

No. 1083.

Mr. Sherman to First National Bank of New York.

TREASURY DEPARTMENT, *April* 5, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 4th is received. Your subscription for $10,000,000 fours was received yesterday and accepted. No advantages or facilities whatever were promised to the parties to what I suppose is a combination subscription, but the subscription was upon the terms of the circular alone.

The subscription of the Bank of Commerce, with yours and that of another bank following soon after, covered the whole of the 5-20s remaining uncalled and perhaps something over. You have probably seen from the papers that I will be in New York most of next week.

Much obliged for your congratulations, and I will consider your suggestion in regard to the 6s of 1881.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1084.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *April* 5, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: This department is in receipt of certificate of deposit No. 100, representing a subscription by your bank of one million dollars to the 4 per cent. loan, under date of April 4.

As all 5-20s have been covered, you are informed that your subscription cannot be accepted upon the terms of the circular of January 1st, unless it was received and mailed by your bank before three o'clock p. m. on the 4th instant, and you are requested to state the facts in the case, in order that the department may decide as to the acceptance or rejection of the subscription.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1085.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *April* 5, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: I have to advise you that sufficient four per cent. consols have been sold to cover the 5-20s.

I have included among the subscriptions $1,000,000, the residue of the $5,000,000 you were to subscribe extended to the 8th.

I have to ask that you will at once inform me whether you desire to subscribe for this sum as of the date of April 4.

The 5-20s being now covered by subscriptions the contract with you and your associates of the date of January 21 is at an end.

As it is desirable to discontinue as soon as possible the agency of Mr. Conant in London, I trust that arrangements will be made without delay for the closing up of all your subscriptions. The bonds remaining in the hands of Mr. Conant will be returned to the department or delivered to other subscribers in London.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1086.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 5, 1879.

Hon. CHARLES F. CONANT,
London, England:

SIR: Yesterday I had occasion to send you telegram as follows: "Subscriptions have been made covering all 5-20 bonds (consols of 1867 and consols of 1868) outstanding, reserving for contracting parties the one million not subscribed for. Inform the contracting parties and accept no new subscriptions." Yesterday morning the amount of the 5-20s uncovered by subscriptions was $59,565,700. Prior to leaving for the cabinet subscriptions were received to the amount of about $6,000,000. On my return from cabinet meeting, about two o'clock I received a subscription for $40,000,000 from the National Bank of Commerce, which I understood to be a combination subscription. Shortly afterwards I received a subscription of $10,000,000 from the First National Bank, and within a few minutes one from another bank of $2,000,000, which, with smaller subscriptions received during the day made, up to 3 o'clock, the sum of $58,502,750.

Remembering my promise to give to the syndicate to the 8th of April to complete their subscriptions due the 1st of April, I reserved for them the option to take $1,000,000. This was a concession that I was not compelled to make under the circumstances, but did it that no promise express or implied, made by the department in this process could be challenged as unperformed.

The syndicate contract being confined to the 5-20s though in terms expiring on the 1st of July, in law and fact expires when bonds are sold sufficient to cover the 5-20s. This will leave in your hands a considerable amount of fours, which I may desire to deliver to other parties who have subscribed. I assume that there will be no objection to this. You

may therefore receive telegraphic orders to deliver these bonds to other parties, which you will understand.

I send you copies of the last circulars and calls.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1087.

Fourth National Bank of Cincinnati, Ohio, to Mr. Sherman.

FOURTH NATIONAL BANK,
Cincinnati, April 5, 1879.

SIR: I wired you this morning the following: "Subscription 250,000 4 per cents sent yesterday," and have your reply: "Subscription to 4s made and mailed or sent by express before 3 p. m., April 4, will be received."

The directors authorized the subscription yesterday morning, April 4, and which was duly entered, letter written, and placed in an express package containing called bonds to amount $12,500, and sent per Adams early during the afternoon.

To substantiate the same I inclose affidavit of L. C. Weir, agent Adams Express Company, Cincinnati, stating the above fact, together with the time the package was received containing the subscription. When in your office last week I spoke of subscribing for 250,000, making ten millions in all, direct from you. I confidently expect you will approve of the same, as subscription was made in good faith, without the slightest knowledge of the immense sale made 4th instant. Allow me to congratulate you for this masterpiece of financiering.

Yours, truly, M. M. WHITE, *President.*

Hon. JOHN SHERMAN, *Secretary, Washington, D. C.*

Adams Express Company.

CINCINNATI, *April* 5, 1879.

This is to certify that a package of $12,500 from the Fourth National Bank of this city, address to the Secretary of the Treasury, was deposited in this office about 2 p. m. Friday, April 4. L. C. WEIR, *Agent.*

No. 1088.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, April 5, 1879.

DEAR MR. SECRETARY: I had the honor to receive this morning your cable message of yesterday's date in the following words:

Subscriptions have been made covering all 5-20 bonds of 1867 and consols of 1868 outstanding, reserving for contracting parties the one million not subscribed for. Inform the contracting parties and accept no new subscriptions.

First of all I must congratulate you upon the wonderful success which has attended the placing of the loan. It is a marvel, and is a thing which will astonish the Old World. People can never be made to realize what

has been done. Baron Rothschild is not in town to-day, but I have sent him a note embodying the contents of your telegram. I feel quite sure that he will feel greatly astonished. The members of the syndicate have been discussing for at least a week the question of taking or subscribing, in connection with their New York associates, for the remaining 4 per cent. consols to be issued in redemption of the consols of 1867 and 1868. The reaction in the New York market, and the sudden change in the condition of financial affairs there, came upon them quite unexpectedly They were not prepared for it. They had deferred their final decision until Monday next. It has been anticipated. As I understand the arrangement which has been made between the parties who have subscribed for the balance of the loan, the sum of eleven million dollars has been reserved for this side. That is, that the present syndicate here get that amount by allotment through their New York correspondents, and I presume that they may possibly in the end secure a larger sum. The sale of that amount of bonds here will dispose of the question of shipments of gold. The 4 per cents are in good demand here to-day. The market is more active than it has been in a long time. I will defer writing further in regard to the subscription until I am advised by you concerning it. I have the honor to acknowledge the receipt of your very interesting letter of the 15th ultimo, acknowledging the receipt of my communication of the 1st ultimo, and treating of matters pertaining to the refunding of the debt, &c., &c. I verbally communicated the substance of your letter to the Messrs. Rothschild & Sons, and associates, regarding which they manifested considerable interest. I have distributed the circulars which you sent to me in regard to the ten-dollar refunding certificates. The scheme is very highly spoken of by bankers, and the opinion is universal that large sales of them must inevitably be made. In fact, J. S. Morgan & Co. expressed the belief that quite an amount could be disposed of in this market. The inducements these certificates offer for the investment of small amounts are superior to any afforded here, as the rate is one per cent. better, and the whole plan is simple and easily understood by all. I note your remarks concerning the embarrassments arising from the silver question, and the statement in relation to the growing feeling in Congress in favor of increasing the standard value of the silver dollar. Until all the great nations shall determine the question of the relation which silver, as a coin, limited in amount of issue, shall bear to gold, any attempt which may be made by our Congress to fix the value of silver will only end in a failure. The price of silver has varied within the past five days at least two per cent., and no act of Congress could have prevented it. A variation in the price of our bonds to the same extent would almost create a panic. On account of the distressing condition of affairs in India, caused by famine and the depreciation in the value of silver, a great pressure is being brought to bear upon the British Government to take some action whereby the price of silver shall be enhanced. A deputation of the Chamber of Commerce of Liverpool (an influential body) waited upon the chancellor of the exchequer yesterday and urged the adoption of certain propositions to that end. There is no doubt now but that Parliament will authorize the much talked about ten million sterling loan for India, to be placed here. This will afford temporary relief, because it will stop the drawing of council drafts on India for a time. Council drafts on India, payable there in silver—because all the taxes are collected there in silver—sell here for one shilling and seven pence in gold per rupee, the value of which in silver is two shillings, the discount being 5 pence per rupee, or nearly 20 per cent. The Oriental Bank and

the Chartered Mercantile Bank—both engaged in Indian banking—have on account of the decline in silver not only incurred losses which have prevented them from declaring dividends during the last six months, but they have exhausted a large portion of their reserves. Many other institutions have suffered from the same cause.

Austria has negotiated with a syndicate of home bankers for a loan equivalent to £10,000,000 (gold *rentes*), at the price of 63.30 gold, plus interest from date of issue for £6,000,000, and the option of the balance, £4,000,000, at 64 per cent. The rate of interest is 4 per cent., but an investor will realize 6 per cent. at the price of the stock, 66 per cent.

There is something quite marvelous in the manner in which the loans of the Australasian colonies are sought after. No one seems to question the soundness of the securities or the ability of the colonies to pay them when they shall mature. The population of these colonies is about two and one-half millions, and their indebtedness is, viz:

New South Wales	£12,000,000
Victoria	20,000,000
South Australia	5,800,000
Queensland	9,000,000
Tasmania	1,900,000
Western Australia	160,000
New Zealand	24,000,000
Total	72,860,000

This debt has been incurred partly on account of the introduction of emigrants, the construction of railways and public works.

Rates of discount remain about the same as last week, 1⅜ to ⅞ for three months' bank bills. Joint-stock banks are allowing 1½ per cent. for deposits. Many dividends fall due next week, and it is thought that money will be cheaper, and that the bank rate will be reduced.

Tenders for Treasury bills were allotted at the Bank of England at the rate of 1½ per cent. for three months.

I have the honor to be, respectfully, yours,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1089.

Continental National Bank of New York to Mr. Sherman.

CONTINENTAL NATIONAL BANK,
New York, April 7, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington:

DEAR SIR: Since our Mr. Randolph's letter of Saturday, the parties from whom we received the $3,000,000 subscription, of 4th of April, have made formal demand upon us for the bonds. We supposed that your telegram declining to receive the same had set all question at rest. The parties now enforce their claim with the statement that others who subscribed similarly within the business hours of that day have been awarded their bonds.

The subscription in question is the one to which we referred in our first telegram, when we stated that there were "more to follow"; but as

the particulars could not be made up until the day's work was over, they did not reach us until shortly after three o'clock, as has been the practice of the same parties with all the subscriptions they have made through us. They seem to think, therefore, that as their subscription was made entirely in the regular and established order in which their preceding ones had been made, they can hold us to the delivery.

We should, perhaps, add that the parties in question were not members of the syndicate, whose bid we afterwards forwarded, nor had they any knowledge of its existence.

Respectfully, FRED. TAYLOR, *Cashier.*

No. 1090.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 7, 1879.

SHERMAN, *Washington:*

N. M. Rothschild & Sons subscribed for one million 4 per cent. consols reserved. CONANT.

No. 1091.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *April* 7, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C:

DEAR SIR: Your letter of the 5th instant, informing us that because other parties have been permitted to subscribe in sufficient sums to cover the 5-20s "the contract with you (us) and your (our) associates is at an end," fills us with surprise.

As the question whether this decision of the Treasury Department is not in violation of the agreement of January 21, 1879, involves an interpretation of the legal effect of that agreement, we assume that you have referred the question to the Attorney-General of the United States, and, if so, we ask that we may be favored with a copy of the opinion.

We remain, very respectfully, yours,

Per pro. AUGUST BELMONT & CO.,
W. LUTTGEN,
W. BEUTER.

No. 1092.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 7, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of 5th instant informing us that our subscription for $1,000,000 4 per cent. consols (certificate No. 100)

cannot be accepted unless it was received and mailed before 3 p. m. on 4th instant.

This subscription was made in the usual course at the close of business to cover our actual sales of that day, which amounted to $827,500, and were all made before 3 o'clock, but the certificate was not written until after 3 o'clock, probably 3.30 p. m., and was sent in our regular mail later in the afternoon. We hand you herewith detailed statement of the sales this certificate was designed to cover, and shall be quite content with your decision to receive or exclude it, assuming that its ruling applies also to subscriptions of others on the same date.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1093.

National Bank of the State of New York, New York, to Mr. Sherman.

THE NATIONAL BANK OF THE STATE OF NEW YORK,
New York, April 7, 1879.

SIR: We telegraphed you to-day as follows:

"Your letter of 5th received. One million seven hundred of our subscriptions were received by us about 12 o'clock. About one million three hundred were received between the hours of 12 and 2.30. Balance of subscription received after 3 o'clock.

"Our customers complain of serious loss, having made large sales same day against their subscriptions, presuming that the same would be accepted.

"If possible for you to accept the three million, or any part, please telegraph."

Confirming the above, we beg to add that the subscriptions comprising the amount, $1,700,000, were received about 12 o'clock in the day, and the certificates issued and letters written and both duly signed before 2 p. m. Having been notified in the mean time that additional subscriptions to a large amount would be sent in shortly, we thought to inclose the whole in one letter to you, knowing that there was ample time, the Washington mail closing at 7.30 p. m.; and, in consequence of the large amount, we took the precaution to telegraph as soon as our total for the day was ascertained, say 3.30 p. m., and requested an early shipment.

The subscriptions were made in every way in accordance with our usual custom; and, in consequence of your declining to receive them, our customers, who have along been prominent dealers in United States bonds and subscribers to large amounts through us, have been subjected to great disappointment and loss. We knew of no reason for any unusual haste in dispatching our letters, and deviated in no respect from our usual custom.

The subscriptions and the order of their receipt were as follows: $200,000, $1,500,000, $500,000, $250,000, $500,000; total, $2,950,000, received prior to 3 p. m. We beg to hand you herewith a letter just received from Messrs. Speyer & Co., for whose account the subscription first in order, $200,000, was received, which will serve to show our position in the matter and the view which is generally taken of the matter by all of our customers interested.

We beg to say, in conclusion, that we shall be greatly accommodated

if the subscriptions, as stated, can be accepted; and we await your reply, hoping that the matter will be adjusted to the satisfaction of all parties. Your reply at the earliest possible moment will oblige

Yours, very respectfully, R. L. EDWARDS, *Cashier.*

To the Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

SPEYER & Co., *New York, April 7*, 1879.

NATIONAL BANK OF THE STATE OF NEW YORK:

GENTLEMEN: We learn from the papers that the Secretary of the Treasury has decided to accept all subscriptions to the 4 per cent. consols made previous to 3 p. m. on the 4th.

As you are aware, our subscription of $200,000 was communicated to you verbally shortly after 12 m. and *soon* afterward confirmed by letter.

Our subscription is, therefore, beyond a doubt included in the bonds which the Secretary has decided to accept, and we must, in any event, insist upon getting the bonds from you. Your early attention to this matter will oblige,

Yours truly, SPEYER & CO.

No. 1094.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 7, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to own receipt of your favor of 5th instant, contents of which are carefully noted.

We received from one of our customers, Messrs. Vermilye & Co., an order for $400,000 4 per cents; from Messrs. Charles Unger & Co., orders for $1,000,000 4 per cents; and for various customers, and to cover sales made by our bank, $600,000, making a total of $2,000,000. These subscriptions were all taken from 10 a. m. up to not later than 2.30 p. m. The letter or certificate of deposit stating that the above subscriptions had been taken was sent out by the cashier before 3 o'clock on the 4th instant. As before stated to you, these parties claim that they are entitled to the bonds, as the subscription had been made before they or we knew anything about the loan being closed out.

These are the facts in connection with the above bonds. After our letter had gone, possibly 3.30 to 4 o'clock, there was a rumor that a syndicate was being formed to take a large amount or possibly the balance of the "fours" then for sale. A customer came in, Messrs. Schaeffer Brothers, and asked us to telegraph for $250,000, which we did. We had already telegraphed before this for the two millions which had been ordered by letter. Messrs. Schaeffer Brothers say they had been taking orders during the day for this amount of bonds, and we shall be glad if you can arrange to give us this last order taken for the $250,000. We take it for granted you will agree that the subscriptions taken *before three* o'clock, and so advised by letter and confirmed by telegraph, is all in order, and the parties are entitled to the bonds. If the bonds

had been ordered by speculators we should be quite indifferent about their getting them.

Messrs. Wormsers said in the afternoon, possibly by 4 o'clock, that they wanted 3 millions, but we did not telegraph the order until the next morning, to which you replied "too late." They still say they would like the bonds.

I remain, yours, faithfully, CHAS. M. FRY, *President.*

1095.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 7, 1879.

Hon. JNO. B. HAWLEY,
Acting Secretary Treasury, Washington, D. C.:

If satisfied the certificate of Chase National Bank was made out before three o'clock Friday, please issue the one hundred and fifty thousand fours ordered by that bank. JOHN SHERMAN.

1096.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 7, 1879.

Hon. JNO. B. HAWLEY,
Assistant Secretary Treasury, Washington, D. C.:

Advise Assistant Treasurer Hillhouse, by ten to-morrow, amount of subscriptions to fours received after three o'clock Friday, but made before that time, and accepted. JOHN SHERMAN.

No. 1097.

Third National Bank, Cincinnati, Ohio, to Mr. Sherman.

[Telegram.]

CINCINNATI, OHIO, *April* 7, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury, Washington:*

Thursday and Friday of last week we took subscriptions to four per cent. bonds, as a government depositary, two hundred thousand. Had papers all ready to forward in usual way on Saturday when paper notice of end of loan reached us. Cannot we accommodate our friends with this subscription?

G. P. GRIFFITH, *Vice-President Third National Bank.*

No. 1098.

National Bank of the State of New York, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 7, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Your letter of fifth received. One million seven hundred of our subscriptions were received by us about twelve o'clock. About one million three hundred were received between the hours of twelve and two-thirty. Balance of subscription received after three o'clock. Our customers complain of serious loss, having made large sales same day against their subscriptions, presuming that the same would be accepted. If possible for you to accept the three millions, or any part, please telegraph.

R. L. EDWARDS,
Cashier National Bank of the State of New York.

No. 1099.

Mr. Hawley to Mr. Sherman.

TREASURY DEPARTMENT, *April* 7, 1879.

Hon. JOHN SHERMAN, *Fifth Avenue Hotel, New York:*

SIR: Herewith you will receive a list of the national banks subscribing to the 4 per cent. loan, under date of April 4th, whose subscriptions are suspended awaiting statements of the hour of mailing, with copy of letter from the Bank of New York National Banking Association, which, with those furnished you this morning and those taken with you, give you all of the information in the possession of the department as to the time the respective subscriptions were made.

In regard to those marked 1 to 7 inclusive on the list we have received nothing but the letters making the subscriptions and have no evidence as to the time they were mailed. Letters similar to the copy inclosed addressed to the First National Bank of Chelsea, Mass., have been sent to these banks requesting them to furnish evidence of the time of mailing their subscriptions. I am just in receipt of your two telegrams, one in relation to the subscription of the Chase National Bank, and the other with reference to sending the amount of subscriptions received after 3 o'clock p. m. Friday, but made before that time and accepted. This letter replies to both as far as reply can now be made. Anything further I will wire you in the morning.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

List of national banks subscribing to the 4 per cent. loan under date of April 4 whose subscriptions are suspended, awaiting statements of the hour of mailing.

	No. C. D.	
Bank of New York National Banking Association	99	$1,000,000
Bank of New York National Banking Association	100	400,000
Bank of New York National Banking Association	101	600,000
Bank of New York National Banking Association	102	250,000

	No. C. D.	
First National Bank, New York	100	$1,000,000
Chase National Bank, New York	119	150,000
National Bank State of New York, New York	145	200,000
National Bank State of New York, New York	146	1,500,000
National Bank State of New York, New York	147	500,000
National Bank State of New York, New York	148	250,000
National Bank State of New York, New York	149	500,000
National Bank State of New York, New York	150	500,000
National Bank State of New York, New York	151	500,000
National Bank State of New York, New York	152	200,000
First National Bank, Chelsea, Mass	114	100,000
Farmers and Mechanics' National Bank, Hartford, Conn	4	200
National Bank of the Commonwealth, Boston, Mass	13	200,000
City National Bank, Griffin, Ga	8	50
First National Bank, Portsmouth, N. H	244	10,000
First National Bank, Portsmouth, N. H	245	10,000
First National Bank, Concord, N. H	45	9,200
First Ward National Bank, Boston, Mass	48	200
Manufacturers' National Bank, Boston, Mass	24	100,000
Manufacturers' National Bank, Boston, Mass	25	50,000
Montpelier National Bank, Montpelier, Vt	9	100,000
Citizens' National Bank, Keene, N. H	17	5,000
First National Bank, Salem, Mass	186	6,500
First National Bank, Salem, Mass	187	1,000
First National Bank, Salem, Mass	188	1,700
First National Bank, Salem, Mass	189	1,000
New Orleans National Bank, New Orleans, La	45	25,000
		8,169,850

No. 1100.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, April 7, 1879.

SIR: In anticipation of calls for the 5 per cent. bonds (10-40s), I beg leave to inquire whether we shall decline to forward bonds of that issue from our collaterals for transfer, where the object is to exchange them for higher numbers, and thus avoid the calls.

The practice was extensively resorted to in the refunding of the 5-20s, until recently, when it was stopped with the approval of the department, and efforts may be expected to have it revived with respect to the 10-40s.

But whilst holders may have the undoubted right to withdraw bonds for such a purpose, provided others are substituted, it can hardly be an object for the department to encourage the practice by taking on itself the labor attending it. In fact, a refusal of the department to sanction and aid the practice will virtually stop it, as it will compel the holders to substitute other bonds for those withdrawn, whilst, if sent through this office, they are constructively still in our custody and a part of our collaterals.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1101.

Mr. Sherman to Kuhn, Loeb & Co.

NEW YORK, *April* 7, 1879.

Messrs. KUHN, LOEB & CO., *New York:*

GENTLEMEN: Your letter of this date, with telegram inclosed, is received.

I regret that your subscription was not made within the time, as it is clear upon your statement that I cannot accept it with due regard to the public notice given.

The department circular of March 4th gave notice that when the outstanding 5-20s were covered by subscriptions, the four per cents would be withdrawn from sale on the terms proposed January 1st, and I cannot now depart from this notice.

Very respectfully, JOHN SHERMAN.

No. 1102.

Mr. Sherman to Mr. Hawley.

NEW YORK *April*, 8, 1879.

DEAR SIR: Your note of the 7th is received. I advised you by telegram last night to accept the subscription of the Chase National Bank for $150,000, which appears to be a subscription in good faith completed before three o'clock. The propositions of Kuhn, Loeb & Co., and R. L. Edwards, cashier, will have to be declined, but you need not write them, as I will inform them verbally.

Very truly, yours, JOHN SHERMAN.

Hon. J. B. HAWLEY.

No. 1103.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 8, 1879.

Hon. J. B. HAWLEY,

Acting Secretary of the Treasury, Washington D. C:

Please advise Mr. Hillhouse, in answer to his letter of yesterday, that he may decline to transmit uncalled collateral bonds to the department for the purpose of transfer. JOHN SHERMAN.

No. 1104.

The Bank of New York National Banking Association, New York, to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,

New York, April 8, 1879.

Hon. JOHN SHERMAN,

Secretary of the Treasury:

DEAR SIR: Much inconvenience arises in moving large blocks of 4 per cent. bonds from the assistant treasurer's office, as he requires a deposit

of legal tenders or other bonds, causing an unnecessary disturbance of loans, and a temporary withdrawal of legal tenders from the market, which would be obviated if the assistant treasurer was authorized to deliver bonds on deposit of cashier's or president's check, which would be collected next morning through clearing-house.

Respectfully committed for your consideration.

R. B. FERRIS, *Cashier.*

No. 1105.

Messrs. Belmont & Co., to Mr. Sherman.

NEW YORK, *April* 8, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, present:

DEAR SIR: We beg to hand you herewith duplicate of a letter which we had the honor to address to you yesterday to Washington. Since then we have received a telegram from Messrs N. M. Rothschild & Sons, of London, instructing us to protest on behalf of themselves and their associates against the abrogation of the contract of the 21st of January.

Very respectfully, yours, AUGUST BELMONT & CO.

No. 1106.

Mr. Hawley to Messrs. Belmont & Co.

TREASURY DEPARTMENT,
April 8, 1879.

Messrs. AUGUST BELMONT & CO., *New York, N. Y.:*

GENTLEMEN: Referring to your letter of the 7th instant, acknowledging the receipt of department's letter of the 5th instant, notifying you of the termination of the contract dated January 21st, 1879, for the sale of 4 per cent. consols for refunding the six per cent. five-twenty bonds, and asking that you be furnished with a copy of the opinion which you suppose the department has obtained from the Attorney-General respecting the legal effect of said contract, I have to advise you that a copy of your letter has been forwarded to the Secretary of the Treasury, who is at present in New York, and I have no doubt that he will give the matter his prompt attention.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 1107.

Mr. Hawley to Mr. Sherman.

[Telegram.]

TREASURY DEPARTMENT, *April* 8, 1879.

Hon JOHN SHERMAN,
Care Assistant Treasurer, United States, New York, N. Y.:

I sent you by mail last evening a list of subscriptions suspended for want of evidence as to time they were made.

The subscriptions thus far known to have been made and mailed prior

to three o'clock on April fourth, and exclusive of the lis tsent you, amount to three million two hundred and three thousand three hundred dollars, embracing London syndicate, one million; Maverick National Bank, Boston, one million; City National Bank, Plainfield, N. J., seven hundred and twelve thousand; Manufacturers', Boston, one hundred thousand; Fourth National Bank, Cincinnati, two hundred and fifty thousand; and First Cincinnati, fifty thousand. The remainder is made up of small amounts. JOHN B. HAWLEY, *Acting Secretary.*

No. 1108.

Mr. Hawley to Genesee County National Bank, Batavia, New York.

TREASURY DEPARTMENT, *April* 8, 1879.

CASHIER GENESEE COUNTY NATIONAL BANK, *Batavia, N. Y.:*

SIR: Referring to that portion of your letter of the 4th instant, asking that your bank be designated a United States depositary to receive deposits on account of subscriptions to the four per cent. loan of the United States, I inclose herewith department's circular of April 4, 1879, announcing that subscriptions to the four per cent. consols have been received to the full amount of 5-20 six per cent. bonds outstanding, and that the four per cent. consols will be sold for the redemption of 10-40 bonds upon terms to be hereafter prescribed.

No further designation will, therefore, be made on this account until the terms of the sale shall have been published.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1109.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 9, 1879.

Hon. J. B. HAWLEY,
Acting Secretary Treasury, Washington, D. C.:

State of Chase National Bank is filed with me and is satisfactory. You may send them the bonds. JOHN SHERMAN.

No. 1110.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 9, 1879.

Hon. JOHN B. HAWLEY,
Acting Secretary Treasury, Washington, D. C.:

Issue call to-day for ten million ten-forty bonds, seven million registered and three million coupon. JOHN SHERMAN.

No. 1111.

Manufacturers' National Bank, Boston, to Mr. Sherman.

THE MANUFACTURERS' NATIONAL BANK,
Boston, April 9, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: I have received your letter of the 7th (W. F.) relative to subscriptions to the 4 per cent. loan of $150,000. In reply, I would say that the subscription of $100,000, C. D., No. 24, was made before 12 o'clock on Friday, and was placed with other letters, and copied and deposited with the regular bank mail of the day, in the post-office, but at what exact hour it was placed in the post-office, I cannot now say. The subscription of $50,000, registered C. D., No. 25, was made for the purpose of correcting an oversight in the previous subscription, and was deposited in the post-office on Saturday morning. In aiding the government to refund the national debt, we find we have not been able to derive, as yet, any profit to ourselves, and are threatened with an actual loss. If the above subscriptions are not accepted, it will reduce our aggregate since January 1 to less than $1,000,000, and thus entail a further loss in commissions.

As our subscriptions have been confined to legitimate business, and not made on speculation, we think we are entitled to some consideration in the matter, and trust that the subscriptions for $150,000 will be accepted.

Very respectfully, F. E. SEAVER, *Cashier.*

No. 1112.

Ninety-seventh call.—Redemption of 10-40 bonds of 1864.

TREASURY DEPARTMENT,
Washington, D. C., April 9, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," and the act of Congress approved January 25, 1879, entitled "An act to facilitate the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "ten-forty bonds," of the act of March 3, 1864, will be paid at the Treasury of the United States, in the city of Washington, on and after the 9th day of July, 1879, and that the interest on said bonds will cease on that day:

COUPON BONDS.

$50—No. 1 to No. 3000, both inclusive.	
$100—No. 1 to No. 5000, both inclusive.	
$500—No. 1 to No. 3000, both inclusive.	
$1,000—No. 1 to No. 7000, both inclusive.	
Total coupon	$3,000,000

REGISTERED BONDS.

$50—No. 1 to No. 200, both inclusive.	
$100—No. 1 to No. 1000, both inclusive.	
$500—No. 1 to No. 1000, both inclusive.	
$1,000—No. 1 to No. 3000, both inclusive.	
$5,000—No. 1 to No. 1600, both inclusive.	
$10,0000—No. 1 to No. 1500, both inclusive.	
Total registered	7,000,000
Aggregate	10,000,000

The amount *outstanding*, included in the numbers above, is ten million dollars.

All the United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN B. HAWLEY, *Acting Secretary.*

No. 1113.

Mr. Hawley to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *April* 10, 1879.

CONANT, *London:*

Ten million option claimed by contracting parties, settled by transfer of that amount Bank of Commerce subscription. HAWLEY.

No. 1114.

Manufacturers' National Bank, Boston, to Mr. Sherman.

[Telegram.]

BOSTON, *April* 10, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Will you accept July called bonds as security for and in repayment of subscriptions for refunding certificates, and convert certificates into fours before forwarding?

F. E. SEAVER, *Cashier Manufacturers' National Bank.*

No. 1115.

Mr. Hawley to Manufacturers' National Bank, Boston.

[Telegram.]

TREASURY DEPARTMENT, *April* 10, 1879.

MANUFACTURERS' NATIONAL BANK, *Boston, Mass.:*

Refunding certificates cannot be issued and converted into fours before forwarding. JOHN B. HAWLEY, *Acting Secretary.*

No. 1116.

Bank of New York National Banking Association, New York, to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 10, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: Referring to President Fry's letter of the 7th instant, handed you at the assistant treasurer's office here, I beg leave to call your attention to the inclosed letters from Messrs. Charles Unger & Co. and Messrs. Vermilye & Co., in reference to the subscriptions made by them with us, being those mentioned in our letter of 7th. We await a favorable answer from you allowing our subscription of $2,000,000 on the 4th to stand, as you will see we shall be compromised with our customers and they be put to serious loss. We hope to hear from you to-day.

Yours, respectfully, R. B. FERRIS.

No. 1117.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 10, 1879.

Hon. JOHN SHERMAN, *Secretary:*

DEAR SIR: I beg to hand you a note from our cashier inclosing letters from Messrs. Vermilye & Co. and Charles Unger & Co., giving the particulars of their subscriptions, all done in the regular way in good faith, and the cashier's letter sent out by him before we had heard anything about a large subscription by the National Bank of Commerce (before three o'clock).

I believe you will see the equity and justice of our asking that the subscriptions be accepted and confirmed by you as all in order. If I had the slightest doubt about the justice of the claims of our friends for the $1,400,000, and our sales of $600,000, I would not ask you to consider the matter at all.

Hoping you may find it convenient to let us have an early decision in this matter, that we can answer our friends, as to whether they are to get the bonds or not,

I remain, yours faithfully, CHAS. M. FRY, *President.*

[Inclosures of above.]

NEW YORK, *April* 9, 1879.

To the BANK OF NEW YORK N. B. A.:

GENTLEMEN: At about half after 2 o'clock, perhaps earlier, on the 4th instant, we made a subscription through you for $1,000,000 United States 4 per cent. coupon bonds. At the time we made this subscription *we knew nothing* of the subscription of the Bank of Commerce, or of *any* other *large* subscription.

We hope you will be able to convince the Secretary of the Treasury of these facts, and that he will take favorable consideration of the above-mentioned subscription.

Yours, truly, CHAS. UNGER & CO.

NEW YORK, *April* 9, 1879.

R. B. FERRIS, Esq., *Cashier Bank of New York N. B. A.:*

DEAR SIR: In reply to your inquiry relative to our subscription for $400,000 4 per cent. bonds, made on Friday last, we would state that it is our custom to send in subscriptions at or *before* 3 o'clock, in order to *cover*, as far as possible, the *sales* of the *day*. This subscription was made in the usual manner, against *our sales* of 4 *per cent. bonds*, and *without any knowledge* on our part of the operations of the *syndicate*. We subscribed for these bonds in *good faith* to cover the *sales* made on *that day*, and it was an hour or more after you received our subscription before *we had any* intimation that the *balance* of the loan was *taken*.

Very respectfully, VERMILYE & CO.

No. 1118.

National Bank of Commerce, New York, to Mr. Sherman.

NATIONAL BANK OF COMMERCE,
New York, April 10, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: In making its large subscription on 4th instant to the United States 4 per cent. loan, the intention of this bank was to make one sufficiently large to absorb all the balance of the 4 per cents then offered by the Secretary of the Treasury. We had been informed that of such remaining balance you were under contract to furnish the London syndicate eleven millions ($11,000,000) dollars of bonds, and our subscription for forty millions ($40,000,000) dollars we supposed would cover *all of the unsold bonds*, leaving the eleven million in your hands to meet their (the syndicate's) call. Learning since that a misapprehension exists, and that you have otherwise disposed of ten million dollars ($10,000,000), and have decided that the London syndicate is *not* entitled to ten of the eleven million dollars, this bank voluntarily tendered to allot to Messrs. N. M. Rothschild & Sons, and their associates, should they so desire, $10,000,000, part of its said forty million dollars subscription.

This proposition has been accepted by Messrs. August Belmont & Co., on behalf of the London syndicate, which they name to us as represented by Messrs. N. M. Rothschild & Sons, Drexel, Morgan & Co., J. S. Morgan & Co., Morton, Bliss & Co., Morton, Rose & Co., J. & W. Seligman & Co., Seligman Brothers, and August Belmont & Co. As you have verbally expressed a willingness to accept the substitution of the London syndicate for ten million dollars of the forty million subscription, in lieu of this bank, and release the bank from all obligation in relation to such portion of its subscription, I beg to ask that the certificate of deposit issued by this bank on 4th inst. (No. 1499, to the Treasurer of the United States, for $40,013,150.68) be returned to us, and that our certificate *of same date* for three-quarters of the amount, being the equivalent of a subscription for *thirty million dollars*, be received in lieu thereof, and the proper advice and authority be sent us by the Treasurer of the United States to make entries upon our books to conform. Assuming that this course will be entirely satisfactory, I inclose herewith our certificate of deposit, No. 1500, for, principal, $30,000,000; interest, three days at 4 per cent., $9,863.01; say $30,009,863.01.

Yours, very respectfully, HENRY F. VAIL,
President.

No. 1119.

Mr. Sherman to Mr. Hawley.

[Telegram.]

NEW YORK, *April* 10, 1879.

Hon. JOHN B. HAWLEY,
Acting Secretary of the Treasury, Washington, D. C.:

Cable Conant ten million option claimed by syndicate, settled by transfer of that amount, Bank of Commerce subscription. Particulars by mail.

JOHN SHERMAN.

No. 1120.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *April* 11, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We beg to refer to the conversation our Mr. Schiff had with you a few days ago, while you were in our city, and to our proposition then made to subscribe for fifty millions 4 per cent. bonds, against ninety days' calls for a like amount of 10-40s, with a commission of ½ per cent. upon the subscription, and we now beg to address you to inquire whether any proposition would receive favorable consideration looking to the absorbtion of all the 10-40s outstanding upon the basis of an immediate subscription for fifty millions 4 per cent. bonds at par, less ⅛ per cent. commission, with the privilege to subscribe for an additional amount of 4 per cent. bonds sufficient to cover all the 10-40s then outstanding, at an early date.

We are fully prepared to submit such a proposition on behalf of a strong syndicate of domestic and foreign banks and bankers, provided we can have the assurance that our proposition will receive favorable consideration, and that we are not to be treated at a disadvantage from other parties.

Very respectfully,

KUHN, LOEB & CO.

No. 1121.

Mr. Hawley to Michigan National Bank, Kalamazoo, Mich.

TREASURY DEPARTMENT, *April* 11, 1879.

PRESIDENT MICHIGAN NATIONAL BANK,
Kalamazoo, Mich.:

SIR: In reply to your letter of the 5th instant, inquiring whether arrangements can be made by which the United States refunding certificates can be converted into 4 per cent. bonds at other points than the city of Washington, I have to inform you that the certificates will be converted into 4 per cent. bonds only upon presentation at the office of the Treasurer United States at Washington, as stated on the certificate.

Very respectfully,

JOHN B. HAWLEY, *Acting Secretary.*

No. 1122.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, April 12, 1879.

DEAR MR. SECRETARY: I received on Thursday evening last (at 5.30) the following cable message from the department: "Ten million option claimed by contracting parties settled by transfer of that amount from Bank of Commerce subscriptions." Baron Rothschild left New Court about twenty minutes before the dispatch was handed to me. Yesterday (Good Friday) was a holiday and no business whatever was transacted in the city; to-day being Saturday, the Messrs. Rothschild are absent from business. Monday next is "bank holiday" and all places of business will be closed. I sent a copy of the cable to Baron Rothschild on Thursday, but I shall not have a reply until Tuesday next. The other members will themselves absorb the Messrs. Rothschild's share if they should decline to take it. I shall write further on the subject during next week.

The prospect of selling our bonds here is improving. The demand for them is increasing, and on that account I think you need not fear of shipments of gold.

In my letter of the 5th instant, I said "that it is thought that money will be cheaper next week, and that the bank rate will be reduced." Money has become cheaper and the bank rate has been reduced to 2 per cent. First-class paper has been negotiated within the current week at 1¼ per cent.

Money is also plentiful in all the large European financial centers, and rates are low. Owing to the present condition of trade and manufactures, we are likely to have here an era of cheap money rates. The outlook is certainly favorable for the promotion of our financial interests. I cannot but feel a little apprehensive lest the improvement of matters at home shall stimulate our people to make larger purchases abroad.

The revenues of the United Kingdom, as shown by the official statement, for the years ending March 31, 1878, and March 31, 1879, were as follows:

	Mar. 31, 1878.	Mar. 31, 1879.
Customs	£19,969,000	£20,316,000
Excise	27,464,000	27,400,000
Stamps	10,956,000	10,670,000
Land tax and house duty	2,670,000	2,720,000
Property and income tax	5,820,000	8,710,000
Post-office	6,150,000	6,240,000
Telegraph service	1,310,000	1,335,000
Crown lands	410,000	410,000
Interest for advances on local works and on purchase money of Suez canal shares	949,883	1,091,751
Miscellaneous sources	4,064,415	4,223,221
Totals	79,763,298	83,115,972

The expenditures for the corresponding periods were, viz:

	Mar. 31, 1878.	Mar. 31, 1879.
Permanent charge on debt, including interest on temporary loans for local purposes, same on supply exchequer bonds, Suez and consolidated	£30,054,335	£30,268,605
Army	15,112,165	17,653,473
Home charges—forces in India	1,000,000	1,080,000
Vote of credit—Russo-Turkish war	3,500,000	.....
Vote of credit—war in South Africa	.....	1,500,000
Miscellaneous civil service	13,982,553	14,974,761

	March 31, 1878.	March 31, 1879.
Collecting customs and inland revenue	£2,668,267	£2,791,169
Post-office	3,185,346	3,273,000
Telegraph service	1,137,000	1,109,000
Packet service	763,000	777,600
Post-office telegraph disallowances	2,237	.....
Abyssinian expedition	.....	17,865
Navy	10,978,592	11,962,316
Totals	82,403,495	85,407,789

The customs revenues were increased during the last two weeks in March last by £228,000, by payments made in anticipation of an increased duty on tea alone.

The trade returns for March show that the imports of merchandise into Great Britain for that period were £29,840,600, as compared with £33,168,660 in the corresponding period in the previous year, the falling off being about 10 per cent. The exports amounted to £16,170,518, as compared with £16,756,397 for the corresponding period, a loss of 3.5 per cent. These differences are partly attributable to reduction in prices.

The value of food imports fell off £1,560,000, the largest decline being in the article of wheat, amounting to £1,032,000. Raw cotton also fell off to the extent of £549,771.

A comparative summary of the returns for the three months ended March 31, 1878 and 1879, gives the following results:

Imports, 1878, £95,954,000; 1879, £84,869,000—decline, 11.5 per cent.
Exports, 1878, £47,077,000; 1879, £43,080,000—decline, 8.5 per cent.

Exports to Canada have fallen off, owing to the announcement made some time since that a new tariff would soon go into operation. Increased shipments are reported of tin plate to the United States.

It is estimated that the £20,000,000 annually derived from imported goods is received on merchandise brought from different countries in about the following proportions:

The United States	£6,000,000
India and China	3,500,000
France	1,500,000
Spain	1,000,000
Germany	880,000
Portugal	450,000
Greece	320,000
Holland	150,000
Italy	80,000
British possessions	4,000,000
Other foreign countries	2,000,000

The advocates here for the adoption of free-trade doctrines by the United States and other countries still try to maintain through the use of statistics that England is prospering by reason of her free-trade laws. But here are some facts bearing upon the point that are quite interesting:

The board of trade returns show that during the four years from 1871 to 1874, inclusive, the value of the *imports* exceeded the *exports* by £220,000,000, and that during the four years from 1875 to 1878, inclusive, the value of the *imports* were £474,000,000 greater than the exports. It would be interesting to know whether the country has grown rich or accumulated capital in any such proportions.

The prime minister, a few evenings since, used the following words in the House of Lords: "That the country is in a state of industrial depression seldom equaled is what Her Majesty's Government do not deny."

Bad harvests during the last four years have greatly depressed agricultural interests. The question of reduction in rents is being discussed,

It is said by Mr. Caird that the average annual production of wheat per acre has been gradually diminishing during the last thirty years.

The amount of the circulating bank notes in the United Kingdom on the 15th of February last was, viz:

Bank of England	£31,820,609
Private banks	1,944,013
Joint-stock banks	1,751,067
Banks in Scotland	5,287,904
Ireland	6,413,361
Total	47,216,954

This amount, compared with the circulation in the corresponding period of last year, shows an increase in the same in the United Kingdom of £3,311,675, and this increase is wholly confined to additional issues in England. The Bank of England at the time mentioned held £30,295,827 in *bullion*, being an increase of £5,446,612 as compared with the same period last year.

The Irish banks had at the same time gold and silver to the amount of £3,137,631, and the Scotch report the sum held by them as £4,098,200, making a total in the vaults of the banks of the United Kingdom of £38,161,658.

The failure of the City of Glasgow Bank and of the West of England Bank, and the results of the same, have caused a considerable decline in the price of all bank shares, except those of the Bank of England.

The shares of the banks that issue notes have fallen off 7½ per cent., while those of the banks that have no note issues have dropped 15 per cent. The shrinkage of value in these shares aggregate £34,444,000.

There is something like an uneasy feeling concerning some of the banks engaged in India transactions. The stock of the Agra Bank and the chartered Bank of India and Australia has fallen 25 per cent.; the Hong-Kong and Shanghai stock has depreciated 33 per cent., while the stock of the Oriental has fared still worse.

The latter bank is a very old one; the par value of its shares was originally £20, but through its prosperity the price of the stock was enhanced, and not long ago it was sold at £45 per share. It fell on Wednesday to 14½, a reduction of more than 75 per cent.

In my last letter I mentioned that Austria had negotiated a new loan. Since writing then, I have seen some statistics of interest in regard to the finances of that country. It is said to be a fact that from the year 1781 to 1866 there was in each year a deficiency in the revenues. For the year 1810 it was £20,000,000; in 1855 the deficit was £15,000, and in 1860 it was £6,000,000. The government is now purchasing silver with a view of preparing for resumption.

We have canceled and returned to Messrs. McCulloch & Co., on account of the First National Bank in New York, $720,000 of called 5-20 bonds during the present week.

I have the honor to be, very respectfully, your obedient servant,

CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1123.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 12, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: This bank, for itself and associates, desires to subscribe for

$25,000,000 United States 4 per cent. consols of 1907, after the reopening of subscriptions, upon the terms mentioned by you in our recent conversations. We shall wish to so date this subscription that it shall be covered by the *last* calls of 10-40 bonds which you will issue under the terms of your new circular. Will you please consider this such formal notice of our subscription that there shall be no doubt of its acceptance at the proper time?

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1124.

Mr. Sherman to August Belmont & Co.

TREASURY DEPARTMENT, *April* 12, 1879.

MESSRS. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Your letter of the 10th instant, advising me that in accordance with the letter of the 8th [10th] from the National Bank of Commerce to me, and your verbal understanding with me, you accept the remaining $10,000,000 United States 4 per cent. bonds under the terms of the contract of January 21st last, is received.

In the view the department was compelled to take, that, under the terms of the contract referred to, subscriptions to the 4 per cent. bonds were open to the public as well as to yourselves until the 5-20s were covered, I could not receive your subscription of the 5th instant, after the sale on the 4th of bonds equal in amount to the outstanding 5-20s. I am gratified, however, that the matter has been arranged with the National Bank of Commerce in the mode stated, and in compliance with such arrangement accept your subscription for $10,000,000, as of the date of two o'clock of the 4th, upon the terms stated in the contract.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1125.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 12, 1879.

Hon. CHARLES F. CONANT, *London, England:*

SIR: On the 10th I directed from New York to be sent to you the following telegram:

Ten million option claimed by contracting parties settled by transfer of that amount, Bank of Commerce subscription.

To-day I officially acceded to the arrangement between the National Bank of Commerce and the syndicate for the $10,000,000, so that I am now prepared to send forward to you, at the request of the syndicate, an amount of bonds sufficient to close out their subscriptions. It is probable that this will be done before you receive this letter, and in doing so I propose to send also an additional sum, making in the aggregate $10,000,000; the surplus for delivery to other parties under subscriptions to be hereafter made, my intention being that you shall settle as soon as possible the subscriptions of the syndicate, and then remain as the agent

of the department, to make deliveries to and receive called bonds from other parties. I conversed with Mr. Belmont and other members of the syndicate about it, and especially with Pierpont Morgan, who left New York for London on Saturday, and I shall expect that by the 1st of May the syndicate will so far complete their deliveries of called bonds that they will consent to have you act in the way I propose, and if they do not consent I may direct it to be done. I have confidence that, by friendly consultation with the Messrs. Rothschild, you will bring about such consent, and maintain, if possible, cordial relations with them, while opening the way to liberal sales in the London market.

All the members of the syndicate I believe will enter heartily into this new plan except Baron Rothschild, but I trust he will see that he has been treated with liberality, and that he ought not to prevent our availing ourselves of your presence in London for deliveries to others. If the course I suggest should not be agreed upon, I shall feel disposed to recall you after a reasonable time.

At present the plans for selling bonds to refund the 10-40s are not perfected, but will be announced some time next week. All sales will be made upon public subscriptions, and on the terms to be stated in a circular. The commission will be $\frac{1}{4}$ of one per cent., and in order to save a portion of the double interest, calls will be made in advance, and Congress may possibly shorten the period of the call, although I am not now prepared to urge this.

It is probable that sales will be made in three different modes, to be prescribed by a circular.

1st. By the $10 refunding certificates under existing circulars, commission $\frac{1}{8}$, and payment to be made promptly, and calls made in advance.

2d. By direct exchange, under the law of last winter, of fours for 10-40s, allowing for the latter one-half of one per cent. premium, and $\frac{1}{8}$ commission.

3d. By subscription of national banks and others similar to circular of January 1, $\frac{1}{4}$ commission, and a deposit of thirty days certain, and perhaps longer.

The call will be for ninety days, but if the sales should promise favorably they will be made from $10,000,000 to $20,000,000 in advance. My large reserves will justify me in taking this risk. $150,000,000 only will be offered, and the residue will be reserved for the $10 refunding certificates.

Your letter of the 29th of March was received by me to-day. The state of the market when you wrote was so different from what it now is that it furnishes a striking illustration of the uncertainty of refunding operations.

Before you receive this the papers will have advised you fully of the rapid closing of the 5-20s on the 4th of April.

You see I was not disappointed in the confident assertion made that the refunding operations would not disturb the money market. Up to this time no money has been paid on called bonds, but they have been surrendered by banks and others in payment of subscriptions, and they are now coming in as rapidly as we can possibly handle them.

The last call for $10,000,000 was based upon $1,600,000 subscriptions in excess of the amount necessary to cover the 5-20s, the sale of one million refunding certificates, and the probable sale of such certificates at the rate of a million a week. I am offered subscriptions for very large sums of 4 per cent. bonds, but prefer to postpone until the market is somewhat relieved from the subscriptions of April 4th.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1126.

Mr. Sherman to National Bank of Commerce, New York.

TREASURY DEPARTMENT, *April* 12, 1879.

CASHIER NATIONAL BANK OF COMMERCE, *New York:*

SIR: I have to inform you that the reduction of your subscription of $40,000,000, of April 4th to the 4 per cent. loan, to $30,000,000, for reasons stated in your letter of the 10th instant, is satisfactory to this department, and the proper entries will be made in the books of this office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1127.

Mr. Sherman to First National Bank of New York.

TREASURY DEPARTMENT, *April* 14, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 12th instant is received. I cannot accept your proposition for a subscription for four per cent. bonds to cover the last call of 10-40 bonds, but have to receive and accept subscriptions in the order of their presentation. During this week I will issue the circular inviting subscriptions for $150,000,000 fours, and have reason to believe they will be taken with great rapidity, though as yet I have no specific bids. Your best way, therefore, is to make your subscriptions upon the issue of the call. Fuller reflection leads me to the conclusion that the terms stated by me to you and others in New York are the best. It is not practicable to have the call shortened, but if subscriptions are free, I will make calls in advance.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1128.

Mr. Sherman to Hatch & Foote.

TREASURY DEPARTMENT, *April* 14, 1879.

Messrs. HATCH & FOOTE, *New York:*

GENTLEMEN: Your letter of the 12th instant is received and your suggestions have been fully considered.

The difficulty in the way is that the law providing for the refunding certificates not only authorizes but directs the Secretary to issue them in exchange for United States notes and makes them fundable at par into four per cent. bonds. If the offer for such bonds is made, as you suggest, at 100½, would not subscribers take the refunding certificates with a view to converting them at once and thus save the one-half per cent.? This difficulty is presented to me, and I do not know how to overcome it without a change in the act providing for the refunding certificates which, in the present state of affairs, is impracticable. I would be pleased to receive your answer to this objection.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1129.

Mr. Sherman to Postmaster, Dahlonega, Ga.

TREASURY DEPARTMENT, *April* 14, 1879.

POSTMASTER, *Dahlonega, Ga.:*

SIR: In reply to your letter of the 8th instant, asking if it is expected that the United States refunding certificates will become a circulating medium, and stating if it is thought they will, and you are furnished with proper instructions concerning the filing of your bond, you will assist in the distribution and sale of the certificates, I have to inform you that as the certificates may be transferred without indorsement, the same as United States or national bank notes, their circulation to a limited extent cannot well be avoided.

They are not, however, a legal tender and no person is compelled to take them in payment of debts. They are intended simply as an investment, the same as a United States bond.

If you desire to be designated a United States depositary for the sale of these certificates and will so inform this office, such designation will be made, and a blank bond (with full instructions concerning its execution printed thereon) sent you without delay.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1130.

Mr. Sherman to Columbus Insurance and Banking Co., Columbus, Miss.

TREASURY DEPARTMENT, *April* 14, 1879.

CASHIER COLUMBUS INSURANCE AND BANKING COMPANY,
Columbus, Miss.:

SIR: Your letter of the 7th instant, inquiring whether nickel and subsidiary silver coin will be received in payment for United States refunding certificates, has been received. In reply I have to inform you that under the law the proceeds of the sale of the refunding certificates can be used only for the payment of public indebtedness bearing a higher rate of interest, for which payment the coins mentioned by you are not available as they are a legal tender only for a limited amount.

The department must, therefore, decline to accept the coins in payment for the certificates as suggested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1131.

Messrs. Hatch & Foote to Mr. Sherman.

NEW YORK, *April* 15, 1879.

Hon. JOHN SHERMAN, *Washington, D. C.:*

DEAR SIR: Your letter of the 14th is received, in which you ask "if the price of 4 per cent. bonds is advanced to 100¼, would not subscribers take the refunding certificates with a view to converting them at once, and thus save the one-half per cent.?"

No. 1126.

Mr. Sherman to National Bank of Commerce, New York.

TREASURY DEPARTMENT, *April* 12, 1879.

CASHIER NATIONAL BANK OF COMMERCE, *New York:*

SIR: I have to inform you that the reduction of your subscription of $40,000,000, of April 4th to the 4 per cent. loan, to $39,000,000, for reasons stated in your letter of the 10th instant, is satisfactory to this department, and the proper entries will be made in the books of this office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1127.

Mr. Sherman to First National Bank of New York.

TREASURY DEPARTMENT, *April* 14, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 12th instant is received. I cannot accept your proposition for a subscription for four per cent. bonds to cover the last call of 10-40 bonds, but have to receive and accept subscriptions in the order of their presentation. During this week I will issue the circular inviting subscriptions for $150,000,000 fours, and have reason to believe they will be taken with great rapidity, though as yet I have no specific bids. Your best way, therefore, is to make your subscriptions upon the issue of the call. Fuller reflection leads me to the conclusion that the terms stated by me to you and others in New York are the best. It is not practicable to have the call shortened, but if subscriptions are free, I will make calls in advance.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1128.

Mr. Sherman to Hatch & Foote.

TREASURY DEPARTMENT, *April* 14, 1879.

Messrs. HATCH & FOOTE, *New York:*

GENTLEMEN: Your letter of the 12th instant is received and your suggestions have been fully considered.

The difficulty in the way is that the law providing for the refunding certificates not only authorizes but directs the Secretary to issue them in exchange for United States notes and makes them fundable at par into four per cent. bonds. If the offer for such bonds is made, as you suggest, at 100½, would not subscribers take the refunding certificates with a view to converting them at once and thus save the one-half per cent.? This difficulty is presented to me, and I do not know how to overcome it without a change in the act providing for the refunding certificates which, in the present state of affairs, is impracticable. I would be pleased to receive your answer to this objection.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1129.

Mr. Sherman to Postmaster, Dahlonega, Ga.

TREASURY DEPARTMENT, *April* 14, 1879.

POSTMASTER, *Dahlonega, Ga.:*

SIR: In reply to your letter of the 8th instant, asking if it is expected that the United States refunding certificates will become a circulating medium, and stating if it is thought they will, and you are furnished with proper instructions concerning the filing of your bond, you will assist in the distribution and sale of the certificates, I have to inform you that as the certificates may be transferred without indorsement, the same as United States or national bank notes, their circulation to a limited extent cannot well be avoided.

They are not, however, a legal tender and no person is compelled to take them in payment of debts. They are intended simply as an investment, the same as a United States bond.

If you desire to be designated a United States depositary for the sale of these certificates and will so inform this office, such designation will be made, and a blank bond (with full instructions concerning its execution printed thereon) sent you without delay.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1130.

Mr. Sherman to Columbus Insurance and Banking Co., Columbus, Miss.

TREASURY DEPARTMENT, *April* 14, 1879.

CASHIER COLUMBUS INSURANCE AND BANKING COMPANY,
Columbus, Miss.:

SIR: Your letter of the 7th instant, inquiring whether nickel and subsidiary silver coin will be received in payment for United States refunding certificates, has been received. In reply I have to inform you that under the law the proceeds of the sale of the refunding certificates can be used only for the payment of public indebtedness bearing a higher rate of interest, for which payment the coins mentioned by you are not available as they are a legal tender only for a limited amount.

The department must, therefore, decline to accept the coins in payment for the certificates as suggested.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1131.

Messrs. Hatch & Foote to Mr. Sherman.

NEW YORK, *April* 15, 1879.

Hon. JOHN SHERMAN, *Washington, D. C.:*

DEAR SIR: Your letter of the 14th is received, in which you ask "if the price of 4 per cent. bonds is advanced to 100½, would not subscribers take the refunding certificates with a view to converting them at once, and thus save the one-half per cent.?"

We supposed the spirit of the law intended that the refunding certificates should go into the hands of small holders and that the "rules and regulations" to be prescribed "by the Secretary of the Treasury" would prevent speculators from taking round lots for the purpose of obtaining the 4 per cent. bonds. We asked some days since of the department, through the Continental National Bank of this city, if a subscription for $1,000,000 certificates, to be immediately exchanged for 4 per cent. bonds, would be entertained, and received reply by wire that it would not, which confirmed our supposition. If sales of certificates are limited in amount to each subscriber and payment is required to be made in Washington before the certificates are sent; if the exchange into 4 per cent. bonds is made also in Washington, with the expense each way borne by the owner; and if the public are informed that they are designed for small investors, we do not see as there would be any difficulty in regulating their sale and preventing competition with the 4 per cents.

If the 4 per cents are offered at 100½ and interest, less one-eighth per cent. commission, with three months in which to settle subscriptions, with restrictions as to large sales of refunding certificates, the market will advance to a price which will make it profitable to subscribe.

The following statement will show the cost of the bonds:

Price 100¼ and interest	$1,006 53
Less commission ⅛ per cent	1 25
	1,005 28
Three months' interest at 2 per cent	5 00
	1,000 28

Which would be the exact cost of the certificates also.

The rate for money would hardly go below 2 per cent. per annum, as it could not be made profitable at a lower rate, and the great source of cheap money is on account of subscriptions. Consequently, that would regulate itself. If the offer of 4 per cent. bonds is limited to one hundred millions, with the expectation of paying the remaining 10-40s, not covered by the above amount, from sales of certificates, we would confidently predict the sale of the whole amount offered almost immediately.

Very respectfully, HATCH & FOOTE.

No. 1132.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *April* 15, 1879.

MESSRS. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: It would be convenient for the department to send to London the residue of the bonds subscribed for by you before we commence issuing bonds under the new circular. I also propose, if agreeable to you, to send over with the next party not less than $10,000,000 of bonds, to include the balance of your subscription, and the surplus to be available for delivery to other parties who may purchase on the terms of the new circular. I hope that, by the 1st of May, you and your associates will take up the bonds subscribed for by you, so as to enable me to deliver to others who may desire it.

Soliciting your view of this matter, I am, very respectfully,

JOHN SHERMAN, *Secretary.*

No. 1133.

Mr. Sherman to Evansville National Bank, Evansville, Indiana.

TREASURY DEPARTMENT, *April* 15, 1879.

CASHIER OF THE EVANSVILLE NATIONAL BANK,
Evansville, Indiana:

SIR: Your letter of the 2d instant, stating that the First National Bank of your city, which claims to be a United States depositary, has refused to receive over their counter the United States refunding certificates, act of February 26, 1879, has been received.

In reply I have to inform you that while the certificates in question may be transferred without indorsement, the same as United States or national-bank notes, and will therefore become a circulating medium to a limited extent, they are not a legal tender, and no person is compelled to take them in payment of debts.

They are intended simply as an investment, the same as a United States bond. The First National Bank of Evansville was discontinued as a United States depositary several years ago.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1134.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 16, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

It is reported here that terms for further subscriptions to four per cents have been determined upon. If so, you would greatly oblige us by informing us of these terms by wire. KUHN, LOEB & CO.

No. 1135.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *April* 16, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury,*
Washington, D. C.:

DEAR SIR: We beg to acknowledge receipt of your favors of the 12th and 15th instant, the contents of which have had our careful attention. By the latter you express your desire to send to London the residue of the bonds subscribed for by us before the issue of any bonds under the new circular, and you propose to make the next sending for the sum of ten millions, the surplus to be available by you for delivery to other parties who may purchase on the terms of the new circular.

We see no objection to the transmission of this amount of bonds, provided, of course, that no deliveries are made to other parties in Europe until after the last ten millions subscribed for by us are disposed of, or

at all events not till after the 1st of July, the time allowed to us by the contract of the 21st of January last, unless the ten millions should be sooner sold.

We shall of course make every effort to close the transaction before that time, and we shall be able to do so all the sooner if you will kindly abstain for the present from any efforts to sell through others in Europe, even at a higher price.

It is possible that in case the foreign markets should prove unfavorable the associates may find it more advantageous to sell a portion of these ten millions here, in which case we have no doubt that your department could arrange to deliver a portion of the bonds here in New York.

We beg you will note, that the associates have agreed among themselves to place the management of the last ten millions into the hands of Messrs. J. S. Morgan & Co., of London, and their attorneys, Messrs. Drexel, Morgan & Co., of this city, to whom we beg you will address any communications relating to these ten millions, and also have a separate account kept for them.

Be kind enough also to instruct Mr. Conant to deal with Messrs. J. S. Morgan & Co. for these millions.

We remain, very respectfully, yours,

Per pro AUGUST BELMONT & CO.,
W. LUTTGEN.
W. BEUTER.

No. 1136.

Chief of Loan Division to Mr. Sherman.

TREASURY DEPARTMENT, *April* 16, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: In obedience to instructions contained in your memorandum of the 12th instant, I have the honor to make the following report as to the facts in connection with subscriptions to the four per cent. loan made by certain depositary banks on April 4, and received by this department after public notice had been given that the circular of January 1, 1879, upon the terms of which such subscriptions were made, had been rescinded.

Under the rule laid down in the memorandum that those subscriptions will be allowed "which were completed by certificates of deposits mailed or sent by express at or before three o'clock" on the 4th instant, the following named national banks are the only ones whose subscriptions can be accepted without further testimony or statements:

First National Bank, Chelsea, Mass	$100,000
City National Bank, Griffin, Ga	50
	100,050

Concerning the subscriptions of the Bank of New York National Banking Association, which amounted to $2,250,000, I quote a portion of its letter of the 5th instant respecting $2,000,000 thereof, which, when taken in connection with its telegram of the 4th instant, which was received at this department at ten minutes past four on that day, seems to be not sufficiently explicit as to the hour of mailing the certificates.

Yesterday morning, before hearing of any large subscription by syndicate or any contemplated change in your plans about the four per cents, we took from our customers (not speculators) in the usual way, subscriptions for two millions, and so advised you by mail; *the letter had been sent to the post-office.*

Later, at about three o'clock, we accepted another subscription for $250,000, just at the time we heard of the change in your programme, and the large subscriptions made by the Bank of Commerce and others.

The telegram referred to above, said:

We have taken subscriptions to-day under the old terms for two millions four per cents; advice by mail.

The remaining subscriptions, aggregating $5,919,800, details of which are contained in the accompanying list, are admitted by the respective banks to have been mailed at a later hour than three o'clock on the 4th instant, but in every case the claim is made that they were *bona fide*, and that at the hour of mailing no knowledge had been received of the heavy subscriptions which absorbed the balance of the five-twenties.

Very respectfully, your obedient servant,

WM. FLETCHER, *Chief Loan Division.*

List of national banks subscribing to the four per cent. loan under date of April 4, 1879, whose subscriptions were mailed after 3 p. m. on that day.

First National Bank of New York	100		$1,000,000
National Bank State of New York	145	$200,000	
	146	1,500,000	
	147	500,000	
	148	250,000	
	149	500,000	
	150	500,000	
	151	500,000	
	152	200,000	
			4,150,000
Farmers and Mechanics' National Bank, Hartford, Conn	4		200
National Bank Commonwealth of Boston	13		200,000
Manufacturers' National Bank of Boston	24	100,000	
Manufacturers' National Bank of Boston	25	50,000	
			150,000
First Ward National Bank of Boston	48		200
First National Bank of Portsmouth, N. H	244	10,000	
First National Bank of Portsmouth, N. H	245	10,000	
			20,000
First National Bank, Concord, N. H	45		9,200
Montpelier National Bank, Montpelier, Vt	9		100,000
Citizens' National Bank, Keene, N. H	17		5,000
First National Bank, Salem, Mass	186	6,500	
	187	1,000	
	188	1,700	
	189	1,000	
			10,200
New Orleans National Bank, New Orleans, La	45		25,000
Bank of New York National Banking Association, N. Y	102		250,000
			5,919,800

Subscriptions by Bank of New York National Banking Association which are suspended awaiting further settlement as to the hour of mailing.

Bank of New York National Banking Association, N. Y	99	$1,000,000	
	100	400,000	
	101	600,000	
			$2,000,000

LOAN DIVISION, *April* 16, 1879.

No. 1137.

Mr. Sherman to Mr. Shoemaker.

TREASURY DEPARTMENT, *April* 16, 1879.

S. M. SHOEMAKER, Esq.,
Resident Manager Adams Express Company, Baltimore, Md.:

SIR: You are informed that the department will not pay express charges on the ten-dollar refunding certificates transmitted to the Treasurer of the United States for conversion into four per cent. bonds, nor upon the four per cent. bonds issued upon such conversion.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1138.

1879.
Department No. 60.
Secretary's Office.

TREASURY DEPARTMENT,
SECRETARY'S OFFICE,
Washington, D. C., April 16, 1879.

The Secretary of the Treasury offers at one-half of one per cent. above par and accrued interest to date of subscription $150,000,000 of the four-per-cent. funded loan of the United States in denominations, viz, coupon bonds of $50, $100, $500, and $1,000, and registered bonds of $50, $100, $500, $1,000, $5,000, and $10,000, the proceeds to be applied to the redemption of United States bonds issued under the act of March 3, 1864, and commonly known as 10-40 bonds. In addition to this amount, $44,566,300 of these bonds, being the residue of the sum needed to redeem the 10-40 bonds, will be reserved for the conversion of ten-dollar refunding certificates.

The bonds offered are redeemable July 1, 1907, and bear interest, payable quarterly, on the first day of January, April, July, and October of each year, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Commissions will be allowed on all subscriptions of one thousand dollars, or over, of one-eighth of one per cent., to be paid by the department by draft.

Upon the receipt of full payment, the bonds will be transmitted, free of charge, to the subscribers.

Applications should specify the amount and denominations required, and, for registered bonds, the full name and post-office address of the person to whom the bonds shall be made payable.

All national banks, upon complying with section 5143, Revised Statutes of the United States, are again invited to become financial agents of the government and depositaries of public moneys received on the sale of these bonds. All banks, bankers, postmasters, and other public officers, and all other persons are invited to aid in placing these bonds. They can make their arrangements through national banks for the deposit of the purchase-money.

The money received by depositary banks on account of subscriptions will remain on deposit with said banks, subject to the order of the Treasurer of the United States, to meet calls for the redemption of 10-40 bonds, which will be issued from time to time, as the Secretary may direct.

Payments may be made to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, in coin, matured coupons, coin certificates, or United States notes.

The Secretary of the Treasury will also accept in payment called bonds, certificates of deposit of national banks specially designated to receive deposits on this account, but the bonds will not be delivered until the certificate has been paid for by a Treasury draft, or by a deposit of a like amount with the Treasurer or some assistant treasurer of the United States, or until other United States bonds are substituted in their stead.

The Treasurer of the United States will also accept, in payment, United States coupons maturing within thirty days, or drafts in favor of himself drawn on New York, which will be collected and the excess, if any, returned by check to the depositor.

The Secretary will also exchange for any outstanding uncalled 10-40 bonds of the United States, an equal amount of four per cent. bonds. In such case, this department will pay to the holder of said 10-40s, interest accrued, a premium of one-half of one per cent., and a commission of one-eighth of one per cent.

Ten-dollar refunding certificates may be converted upon their surrender to the Treasurer of the United States at Washington into an equal amount of the four per cent. bonds herein described, but a premium of one-half of one per cent. will be required on all such refunding certificates issued upon the certificate of a national-bank depositary.

All blanks, or forms, or information needed, will be furnished by the department without cost. JOHN SHERMAN, *Secretary.*

No. 1139.

Bank of New York National Banking Association, New York, to Mr Sherman.

[Telegram.]

NEW YORK, *April* 16, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Send two millions four per cent. bonds under terms of to-day's dispatch. R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1140.

Chase National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We have subscribed for half million dollars four per cent. bonds on terms just issued. Can we deposit our securities at the treasury here, as heretofore? ISAAC W. WHITE,
Cashier Chase National Bank.

No. 1141.

First National Bank, New York, to Mr. Sherman.

[Telegram.)

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington. D. C.:

Please enter subscription this date for ten million dollars, and reserve further amount of fifteen millions, awaiting our letter. Please make no announcement of either to-day, for reasons will explain.

GEO. F. BAKER,
President First National Bank.

No. 1142.

Bank of New York National Banking Association, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary Treasury, Washington:

Send seventy-five certificates ten thousand each, fifty of five thousand each, four per cents, in name of I. & S. Wormser. Also four hundred bonds five hundred each, three hundred of one thousand each; in all one million five hundred thousand. Certificate deposit by mail.

R. B. FERRIS,
Cashier Bank of New York National Banking Asscciation.

No. 1143.

Messrs. Baltzer and Lichtenstein to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We subscribe to-day through the National Bank of the State for one million fours. BALTZER AND LICHTENSTEIN.

No. 1144.

National Bank of the State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

We confirm dispatch of Baltzer and Lichtenstein ordering one million

four per cent. consols, and order in addition to that and our previous dispatch one million more, half each coupon and registered.

W. H. HAYS,
President National Bank State of New York.

No. 1145.

Bank of New York National Banking Association, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

We take two millions more fours; particulars later.

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1146.

National Bank of the State of New York, to Mr Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Please forward immediately four million United States four per cent. consols.

R. L. EDWARDS,
Cashier National Bank of the State of New York.

No. 1147.

National Bank State of New York to Mr Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Please forward three hundred thousand registered and two hundred thousand coupon four per cent. consols. Particulars by mail.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1148.

National Bank of the State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Please forward one million four per cent. consols coupons.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1149.

National Bank of the State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Please forward immediately fifteen hundred thousand United States four per cent. consols additional to all former subscriptions.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1150.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879—4.26 p. m.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

Send one hundred and twenty certificates, ten thousand each, in name of I. & S. Wormser; also eight hundred coupon bonds, one thousand each, in all two millions fours. Certificate by mail.

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1151.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

We subscribe for four millions fours; this is in addition to all other telegrams. Certificates by mail.

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

No. 1152.

Continental National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

We subscribe to-day two millions four per cents, name Hatch and Foote. Particulars by mail.

E. D. RANDOLPH,
President Continental National Bank.

No. 1153.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
K street, near Thirteenth street, Washington, D. C.:

Please enter our subscription under this date for one hundred and fifty million dollars four per cent. bonds and forty million dollars refunding certificates, in all one hundred and ninety million dollars, under terms of your circulars of April sixteenth and March seventh. These subscriptions for this bank and its associates. Will see you to-morrow morning. This is repetition of dispatch sent to the department.

GEO. F. BAKER, *President.*

No. 1154.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
K street, near Thirteenth street, Washington, D. C.:

Please answer to me at two hundred and ninety-two Madison avenue. Baker's official dispatch sent to your house.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 1155.

National Bank State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Confirming previous dispatches covering subscriptions of seven millions five hundred thousand dollars to four per cent. loan, please forward additional two millions coupon bonds.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1156.

Bank of New York National Banking Association to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of Treasury, Washington, D. C.:

We subscribe for one million four per cents. Certificates of deposit by mail to-morrow.

R. B. FERRIS,
Cashier Bank of New York National Banking Association.

Received 6.30 p. m.

No. 1157.

National Bank State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 17, 1879.

The SECRETARY OF THE TREASURY, *Washington D. C.:*

Please forward immediately one million more United States four per cent. consols, making a total, together with former subscriptions, of ten million five hundred thousand.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1158.

Mr. Sherman to First National Bank New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 17, 1879.

H. C. FAHNESTOCK, 292 *Madison Avenue, New York:*

Your telegram covering one hundred and ninety million consols staggers me. Your telegram for twenty-five million received, and entered at two o'clock. About thirty million from other parties were received and entered before your last telegram. Will wait till letters received. What is the matter? Are you all crazy?

JOHN SHERMAN, *Secretary.*

No. 1159.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 17, 1879.

CHARLES F. CONANT, Esq., *London, England:*

SIR: Since the date of my last letter definite arrangements have been completed for the sale of four per cent. consols to redeem the 10-40s, the terms of which you will find in the circulars of the date of yesterday, a number of copies of which are herewith sent for your use. I also send you a copy of a letter from Messrs. Belmont & Co. of the date of the 16th, and of my reply of this date.

Your attention is called to the last paragraph of the letter of Messrs. Belmont & Co., notifying the department that the management of the last ten millions subscribed by the associates has been placed in the hands of Messrs. J. S. Morgan & Co., with whom you will please deal, and also have a separate account kept for them with respect to that subscription.

Referring again to my last letter and confirmatory of it, you will please notify Messrs. J. S. Morgan & Co. of the terms of my letter to Messrs. Belmont & Co., and ascertain from them and also from Messrs. Morton, Rose & Co. what facilities they can render for the safe-keeping of bonds for delivery to parties who may subscribe and pay for them here.

If it is found feasible and important to make deliveries in London, you will be authorized to continue the delivery of four per cents and receipt of called bonds there on the same terms and in the same manner in which you have conducted the business of the syndicate. Hon. L. P. Morton very much desires that the office of his firm, Morton, Rosé & Co., be selected as the place of deposit for these bonds, mainly on the ground that they are the European agents of the government in other matters, and on that account I am disposed to designate them if they have the necessary facilities for the purpose.

You might, after conferring with them, cable your opinion as to which house should be selected, and instructions will be given to you in respect to the matter.

This letter will be sent with Mr. Ferree, who is in charge of the party with bonds for delivery. His associate, Mr. Knapp, of the Post-Office Department, is intrusted with business of importance to that department.

Please extend to them the usual facilities and allowances.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1160.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *April* 17, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Your letter of yesterday is received. I note what you say about sending the balance of the bonds subscribed for by you to London, and will do so by Saturday of this week.

It is true that the contract by its terms was to continue until the 1st of July next, unless the subject-matter, to wit, the refunding of the 5-20s, was sooner completed, when it necessarily terminated, and this occurred on the 4th of April. Under the fourth clause of the contract it is my duty to maintain for a reasonable time an agency in London for the convenience of making deliveries of bonds to you. No definite time is designated, but thirty days after the termination of the contract would seem to be all that justly could be required. I have, therefore, to advise you that I will send with the messengers who bear your bonds to London an additional sum of $5,000,000, with instructions to Mr. Conant not to deliver any of them until after the 4th of May, and to make such arrangements with Messrs. Rothschild & Sons, or others, as will enable him to extend to all subscribers the same facilities of delivery of 4 per cents and receipt of called bonds as was stipulated for with you. The arrangement proposed will not preclude the delivery to you and your associates of the bonds you subscribed for at a later date than the one named, if desired.

I inclose copy of a circular issued yesterday, from which it will appear that the terms now offered are less favorable to purchasers than the contract with you, and I think it important and right that I should not be excluded from the European market in the sale of 4 per cent. bonds.

I note what you say in respect to the management of the last $10,000,000 subscribed, and will send a copy of this letter to Messrs. Drexel, Morgan & Co. for their information, and will instruct Mr. Conant accordingly.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1161.

First National Bank of New York to Mr. Sherman.

FIRST NATIONAL BANK OF THE CITY OF NEW YORK,
April 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Confirming our dispatches of this date, we hand you herewith our certificates of deposit as follows: No. 102, $25,168,825; No. 103, $151,012,950; No. 2, $40,270,120; covering respectively subscriptions for $25,000,000 4 per cent. consols of 1907; $150,000,000, 4 per cent. consols of 1907; $40,000,000, 4 per cent. refunding certificates.

Our Mr. Baker will call upon you in the morning.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1162.

Third National Bank, Cincinnati, Ohio, to Mr. Sherman.

[Telegram.]

CINCINNATI, OHIO, *April* 18, 1879.

To SECRETARY OF THE TREASURY, *Washington:*

We made subscription of one million fours yesterday to cover our registered sixty-eights and ten-forties deposited for circulation and government deposits. Please accept without fail. Answer.

G. P. GRIFFITH, *Vice-President Third National Bank.*

No. 1163.

National Bank State of New York to Mr. Sherman.

[Telegram.]

NEW YORK, *April* 18, 1879.

SECRETARY OF THE TREASURY, *Washington, D. C.:*

Have all our subscriptions, amounting to twelve millions, ordered by telegraph yesterday been accepted? Answer.

R. L. EDWARDS,
Cashier National Bank State of New York.

No. 1164.

Mr. Sherman to National Bank State of New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 18, 1879.

R. L. EDWARDS,
Cashier National Bank State of New York, New York:

Your subscriptions for twelve millions fours have been accepted.

JOHN SHERMAN, *Secretary.*

No. 1165.

Mr. Sherman to First National Bank of New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 18, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

Referring to my telegram of last evening, I have to say that your first subscription of yesterday is for ten millions only, which is accepted.

JOHN SHERMAN, *Secretary.*

No. 1166.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 18, 1879.

SHERMAN, *Washington:*

Will you allow me to deliver to J. S. Morgan & Co., for contracting parties, $10,000,000, option transferred from Bank of Commerce subscription?

Rothschild & Sons don't take their share, (it is) taken by August Belmont & Co.

When will it be practicable to send me 4 per cent. consols?

CONANT

No. 1167.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *April* 18, 1878.

CONANT, *London:*

By letter to associates notice is given that after May 4 I will deliver 4 per cent. bonds to, and receive called bonds from, other parties in London.

SHERMAN.

No. 1168.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *April* 18, 1879.

CONANT, *London:*

I have received your cable of the 18th. The last ten millions may be delivered to J. S. Morgan & Co.

Ten millions 4 per cent. consols will be sent to-morrow with letter of instructions.

SHERMAN.

No. 1169.

[Telegram to Independent Treasury officers.]

TREASURY DEPARTMENT, *April* 18, 1879.

———— ————, ————.

The four per cent. bonds offered in circular of 16th have been sold, and the circular is withdrawn. You will sell no more refunding certificates except for local demand in sums not to exceed one thousand dollars.

JOHN SHERMAN, *Secretary.*

No. 1170.

Messrs. Drexel, Morgan & Co. to Mr. Sherman.

NEW YORK, *April* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to acknowledge receipt of your favor of yesterday's date, inclosing copy of a letter addressed by you to Messrs. August Belmont & Co., in reference to the last $10,000,000 subscribed under the contract for the sale of United States 4 per cent. bonds in London, and dated January 21, 1879.

We regret to say that we cannot take the same view that you do about the date when our exclusive privilege of delivery under clause fourth of the contract is to cease. We think as we have more than fully performed all the requirements of the contract, the date fixed under article five, viz, thirtieth of June, should be the one to be adhered to; at any rate until the entire amount of the subscription made under said contract is disposed of; and we hope that on further consideration of the matter you will come to the same conclusion, and give your instructions to Mr. Conant accordingly.

We need hardly say that all our efforts will be towards as early a disposal of the bonds as possible, so as to relieve the department of what we unquestionably deem its obligations to us, as above stated.

From a cable received to-day from Messrs. J. S. Morgan & Co. it would appear that Mr. Conant has not as yet received instructions from you to deal with them for the $10,000,000 in question, and if not already done we shall esteem it a favor if you will cable to Mr. Conant, on receipt of this letter, to that effect.

Very respectfully, yours, DREXEL, MORGAN & CO.

No. 1171.

Messrs. Belmont & Co. to Mr. Sherman.

NEW YORK, *April* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to acknowledge receipt of your favor of yesterday's date, informing us of your intention of sending the balance of the bonds subscribed for by us to London by Saturday's steamer, and advis-

ing us further that you intend to send $5,000,000 bonds in addition for delivery to other parties, which you consider yourself entitled to do after the 4th of May. We regret not to be able to agree with you in this construction of the contract, and, as stated in our letter of the 16th instant, we consider that we have the exclusive right to deliveries in Europe until the 30th of June, and must protest against any deliveries to other parties previous to that time, unless, as stated in our letter of the 16th instant, the ten millions should previously be disposed of.

We shall make every effort to this end, and have strong hopes that the transaction may be closed before the time named by you, and that there will consequently be no occasion for dispute as to the construction of the contract.

We remain, very respectfully, yours,

Per pro AUGUST BELMONT & CO.,
W. LUTTGEN,
W. BEUTER.

No. 1172.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: I duly received your favor of 17th instant, contents of which have had my best attention. In reply to your request for further particulars regarding our subscriptions for the $2,000,000 bonds, I now beg to hand you, first, extract of our letter of 7th instant, containing the original advice of our subscription, and, second, letter from our cashier, Mr. Ferris, under to-day's date, giving detailed particulars which cover both mail and telegraphic notification of the subscription of the 4th instant.

I also desire to call your attention to my communication of 10th instant, which also very fully states our position, and to which I think you seemed to have been under the impression that we were entitled to the bonds.

I trust very strongly that upon a review of these letters you will join me in the fairness and justice of the bank's claim for these $2,000,000 bonds being allowed.

Awaiting your favorable reply, I remain,

Yours, very truly, CHAS. M. FRY, *President.*

No. 1173.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 18, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: In response to your letter of the 17th, asking further particulars respecting our subscriptions to 4 per cent. loan, taken on the 4th

instant, I beg leave to say, subscription of $1,000,000 by C. Unger & Co., represented by C. D. .99, was taken, and the C. D. made and sent to corresponding desk to be *copied and mailed*, before our government bond messenger *went up to the* 2.30 *call;* the subscription by Vermilye & Co. was made shortly after, and C. D. 100 made out; our own subscription C. D. 101 for $600,000, made to cover orders and sales made in the regular course of business, was filled up as soon as we ascertained the amount required, and *mailed* at *the same time.*

Our telegram was sent as soon as we heard that a combination bid was likely to be made, in order that our subscriptions might be placed on record before our advice by mail arrived.

Yours, respectfully, R. B. FERRIS,
Cashier.

No. 1174.

Pacific National Bank, Boston, to Mr. Sherman.

PACIFIC NATIONAL BANK, *Boston, Mass., April* 18, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We had the honor to forward to you this morning the following dispatch, which of itself needs no explanation:

> We had decided to make a subscription of five millions to fours and were awaiting your circular number sixty, which only arrived this morning. Please consider our subscription as made. A. I. BENYON, *President Pacific National Bank.*

And we only supplement it by this letter because of the extraordinary manner in which the syndicate yesterday sought to close the 4 per cent. subscriptions for their own benefit, to the exclusion of other banks and bankers throughout the country. We had fully determined, as named in our dispatch, to make a subscription, but thought it proper to await the reception of your circular, so that we might know that the terms which had been named in the newspapers had your official sanction. Under these circumstances we feel that our subscription is fairly entitled to precedence as against any movement made by the syndicate, and trust it may receive your approval.

Very respectfully, yours, A. I. BENYON, *President.*

No. 1175.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 18, 1879.

CHARLES F. CONANT, Esq., *London, England:*

SIR: Since I wrote you the letters yesterday respecting the recent circular of April 16th, I have sold the whole of the $150,0000,00 of bonds offered therin; $39,000,000 were sold to sundry banks in the city of New York, and the residue, $111,000,000, were sold to an association of banks and bankers through the First National Bank. This unexpected and agreeable *denouement* of our refunding operations will supersede much that I have written you. I received and answered your telegram of to-day. Arrangements will be made with the new associates for delivery of 4 per cent. consols and the receipt of called bonds in London.

Although I have given notice that I will feel at liberty to do so after the 4th of May, I prefer that you will postpone any new arrangement for delivery to other parties until the 10th, hoping that before that time Messrs. J. S. Morgan & Co. will be able to close out the balance of their last subscription.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1176.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *April* 18, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

The department holds that under circular of April 16 it is not bound to accept subscriptions for refunding certificates by banks, but must reserve them for popular distribution. They will hereafter only be sold by bonded officers of the government for United States notes in sums not exceeding one hundred dollars to one person at one time. Your subscription will be received and accepted for one hundred and eleven millions, the balance of one hundred and fifty millions not taken before your telegram of last evening was received. Is this satisfactory?

JOHN SHERMAN, *Secretary.*

No. 1177.

Ninety-eighth call.—Redemption of 10-40 *bonds of* 1864.

TREASURY DEPARTMENT, *Washington, D. C., April* 18, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," and the act of Congress approved January 25, 1879, entitled "An act to facilitate the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "ten-forty bonds" of the act of March 3, 1864, will be paid at the Treasury of the United States, in the city of Washington, on and after the 18th day of July, 1879, and that the interest on said bonds will cease on that day.

COUPON BONDS.

$50—No. 3001 to No. 17303, both inclusive.	
$100—No. 5001 to No. 56169, both inclusive.	
$500—No. 3001 to No. 55491, both inclusive.	
$1,000—No. 7001 to No. 128,435, both inclusive.	
Total coupon	$46,775,000

REGISTERED BONDS.

$50—No. 201 to No. 1450, both inclusive.	
$100—No. 1001 to No. 11100, both inclusive.	
$500—No. 1001 to No. 7100, both inclusive.	
$1,000—No. 3001 to No. 29300, both inclusive.	
$5,000—No. 1601 to No. 10300, both inclusive.	
$10,000—No. 1501 to No. 24700, both inclusive.	
Total registered	113,225,000
Aggregate	160,000,000

The amount *outstanding* included in the numbers above is one hundred and sixty million dollars.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 1178.

1879.
Department No. 62.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., April 18, 1879.

Department's circular No. 60, of April 16, 1879, is hereby rescinded, all the four per cent. bonds therein offered for sale having been sold.

The ten-dollar refunding certificates will be issued for lawful money, in sums not to exceed $100 at one time, by the Treasurer and assistant treasurers of the United States and by all public officers bonded for that purpose. They will not be issued hereafter upon the certificate of any national-bank depositary.

Commissions on such issues heretofore or hereafter made will be allowed at the rate of one-eighth of one per cent. on an aggregate of $1,000, without regard to the period in which such exchanges are made.

This circular will remain in force for sixty days, or until the 10-40 bonds now outstanding are covered by sales, and no longer.

It is the desire of the department to give to every citizen of the United States an opportunity to invest, in limited sums, his savings in these certificates at par and accrued interest.

At the end of sixty days, to wit, at the close of business on the 17th of June, the offer already made for four per cent. bonds sufficient to cover the 10-40 bonds then outstanding, if any, will be accepted.

Department's circulars of March 12 and 26, 1879, are modified accordingly. JOHN SHERMAN, *Secretary.*

No. 1179.

Drexel, Morgan & Co. to Mr. Sherman.

NEW YORK, *April* 19, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg to confirm our respects of yesterday, and to state that we have heard to-day from our London friends that your authority to Mr. Conant to deal with them has been duly received, and we tender our thanks for the same.

Messrs. J. S. Morgan & Co. cable us at the same time that Mr. Conant declines to receive as collateral 4½ per cents or 5 per cents, and that it would facilitate greatly their operations if he were authorized to receive any denomination of United States bonds, except, of course 4 per cents, and ask us to see whether you would consent to his doing so.

We beg to submit Messrs. J. S. Morgan & Co.'s request, and earnestly hope that it will be in your power to meet their wishes, and that you

will consent to give the necessary instructions to Mr. Conant by cable at your earliest convenience.

We are, dear sir, yours, very respectfully,

DREXEL, MORGAN & CO

No. 1180.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 19, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: As in our large subscription of 17th instant others besides ourselves are interested, we have to request that all accounts pertaining to said subscription, both in your office and in that of Treasurer of the United States, may be kept entirely separate from our present accounts, which pertain solely to the business of this bank.

If agreeable to you, we will designate the subscription as Account No. 2, and so refer to it in all correspondence in relation to these bonds and in separate transcripts rendered to Treasurer United States. If this meets with your approval, kindly advise us by telegram to that effect on Monday morning.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1181.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *April* 19, 1879.

CONANT, *London:*

Ferree's party with bonds has sailed to-day by steamer City of Berlin.

SHERMAN.

No. 1182.

Mr. Sherman to National Exchange Bank, Boston.

[Telegram.]

TREASURY DEPARTMENT, *April* 19, 1879.

E. L. TEAN,
President National Exchange Bank, Boston, Mass.:

The 4 per cent. bonds offered by circular of April 16 have been taken and I cannot comply with your request.

JOHN SHERMAN, *Secretary.*

No. 1183.

Mr. Sherman to National Exchange Bank, Boston.

TREASURY DEPARTMENT, *April* 19, 1879.

E. L. TEAN, Esq.,
President National Exchange Bank, Boston, Mass.:

SIR: Confirming my telegram of to-day, I have to advise you that on the 17th instant the full amount of $150,000,000 4 per cent. bonds offered in the circular of the 16th were subscribed for by responsible parties upon the terms stated in the circular, and I had no alternative but to accept these subscriptions. I am assured, however, by some of the subscribers that exchanges of four per cent. consols for 10-40s will be made by them on substantially the terms stated in the circular.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1184.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., April 19, 1879.

DEAR MR. SECRETARY:

On yesterday morning at the stock exchange, just after the opening hour, a McLean's cable dispatch was posted up, stating that you had entered into a contract with a syndicate for the sale of $150,000,000 of 4 per cent. bonds against the outstanding 10-40 5 per cent. bonds. People were astounded at the information, and they were all the more astonished because the operation followed so closely upon the transaction of the 4th instant. The effect of this has been to send the price of the bonds up ¾ per cent. and to create a demand for them. The Times' finance article of to-day, dated yesterday evening, says:

> The only stocks that really benefit by the excessive cheapness of money are those which in public esteem are considered sound, such as colonial bonds, U. S. bonds, railway debentures (which are equivalent to 4½ per cent.), and preference stocks, with one or two foreign stocks of the interest-bearing class. * * * The only bonds in which business showed marked activity were U. S. 4 per cents. There was quite a keen demand for them, and the business would, it is said, be still larger were there any supply of small bonds to be had. These, however, are very scarce, and the want of them keeps back the small investor, who has now to pay a premium compared with his richer neighbor in order to get what he wants. Most of the 10-40 series now called in for redemption are held here, and their payment will release a large amount of money for reinvestment in these 4 per cents and in other high-priced securities.

The statement made in regard to the difficulty of obtaining small bonds for small investors is, I think, as incorrect as the further statement that the bulk of the 10-40s to be called in are held here. The purchasers of our bonds are large investors, such as the London and County Bank, which holds some millions; Sir Curtis Lampson, who holds at least one million, etc., etc.

These last two operations will attract considerable attention to our bonds. I should like, as a matter of pride and patriotism, to see all of the balance of the 4 per cent. bonds taken by our own people, but there are certain economic reasons why it would be best to have some of them disposed of here, and I do not see the slightest obstacle in the way of

placing an amount equal to the 10-40s held here. Money is scarcely worth more than 1 per cent. now, and there is not much probability that there will be any increased demand for it for a long time to come. A demand is hardly likely to come from but two sources, viz, speculation and a revival of business. The experience of last summer should keep the former in check, while as to the latter the outlook is very gloomy. Such an event as the death of the Emperor of Germany, or as that of England becoming involved in an Egyptian war, would disturb the money market here, but events of this class are always impending.

Money is accumulating very rapidly in the bank. Its last return showed the amount of bullion on hand as £33,516,239, compared with £22,925,444 one year ago, with a reserve £19,091,514, against £9,846,189 in the corresponding period of last year. The notes in circulation are £500,000 greater than last year.

I had the honor to send to you on yesterday a cable message in the following words:

Will you allow me to deliver to J. S. Morgan & Co., for contracting parties, $10,000,000 option, transferred from Bank of Commerce subscriptions? Rothschild & Sons do not take their share, taken by August Belmont & Co. When will it be practicable to send me 4 per cent. funded loan bonds?

The Messrs. Rothschild give many reasons why they declined to continue in the syndicate. I presume they have been made known to you. They claim that before accepting the Bank of Commerce subscription and the one made by the First National, they should have been offered the bonds awarded to these subscribers. There is no real foundation, as we well know, for such a claim, as they could at any time have subscribed for the balance unissued. I had urged them only a few days before to make a subscription for five millions, and they declined because, as they then said, the market was in a bad condition, and the government price of the stock was nearly one and three-quarters above the market rate. I remarked to them at the time that in my judgment some New York combination would be formed which would submit propositions for the remainder of the bonds. They did not believe that, in the condition the market then was, such a thing could be done.

Because they could not have the balance of the loan, they would not have any part of the ten millions, neither will they have any connection with any syndicate unless they can control and manage its affairs.

Our bonds are now so well and favorably known in the market here that it is no longer necessary that any one should recommend them.

I received from you yesterday evening the following telegram:

By letter to associates notice is given that after May 4 I will deliver four per cent. funded loan bonds to and receive called bonds from other parties in London.

I also received this morning another cable message, sent by you yesterday, as follows:

I have received your cable of the 18th. The last ten millions may be delivered to J. S. Morgan & Co. Ten million 4 per cents will be sent to-morrow, with letter of instructions.

I have notified Messrs. J. S. Morgan & Co. that I will make them a delivery of bonds on Monday, as they requested me to do.

There has been no newspaper comment on the great operations of last Thursday and the 4th of April.

In my letter of the 12th instant I alluded to the decline in the value of stock; amongst others, of the Chartered Mercantile Bank of India, and mentioned some of the causes which had produced it.

The chairman of that bank has made a statement in which he says

that more than a year ago they were informed from America that a very considerable rise in silver was imminent, and they thought it advisable to make a large purchase, etc. This was about the time of the passage of the Bland bill, so called, and I stated at the time in my letters that silver was being purchased here on speculation, in the expectation that Congress would authorize free coinage, etc. This bank lost £45,000 by the operation.

The following table will show the loss on the stock or shares of the Scotch banks caused by the failure of the Bank of Glasgow:

	Sept. 30, '78.	Mch. 17, '79.	April 17, '79.
Bank of Scotland	£327	£270	£248
British Linen Company	312	233	224
Clysdale	278	174	160
Commercial	326	220	201
National	327	244	210
Royal	236	188	180
Union	274	180	163

The decline between March 17 and April 17 is due to the decision of the House of Lords that the trustees (persons who held stocks as trustees of estates, etc.) were liable in common with the shareholders.

The strike of the Durham miners is assuming colossal proportions. It is said that the employment of one hundred thousand men is involved in it, in connection with the production of coal alone. The Durham coal field employs sixty thousand hands, and produces 500,000 tons of coal per week. Local industries are not only affected, but industries in other sections suffer in consequence of it.

The return of the imports and exports of France for the past three months has just been published, and shows the following results: Total imports, francs 1,125,968,000 (£45,038,720), distributed, viz: Articles of food, francs 400,994,000; raw materials, francs 568,486,000; manufactures, francs 108,839,000; and other articles francs 47,649,000.

Total exports, francs 740,229,000 (£29,609,160), viz: Manufactures, francs 406,249,000; articles of food and raw material, francs 296,166,000; and other articles, francs 37,814,000. The imports exceeded the exports by the sum of, francs 385,739,000 (£15,329,560). In the corresponding months of last year the imports were francs 327,000,000 in excess of the exports. The return for this year shows a slight increase in both imports and exports. The bad harvest of last year will account for a portion of the increase in imports. The total imports and exports for three several years were:

Imports, 1876, francs 915,000,000; exports, francs 805,000,000.
Imports, 1877, francs 907,000,000; exports, francs 771,000,000.
Imports, 1878, francs 1,038,000,000; exports, francs 711,000,000.

This year the exports will reach francs 739,000,000, owing to an increased demand for manufactured goods.

An effort is now being made by prominent railway companies of Great Britain to obtain a remission of the annual tax of 5 per cent. imposed by the government on certain passenger traffic by a commutation of the same. The yearly amount of passenger duty which has been paid by railways in England and Scotland (the tax is not paid on Irish railways) during the last six years is as follows:

Year ending March 31, 1873	£507,079
1874	514,715
1875	629,737
1876	736,369
1877	728,718
1878	741,719

The amount derived from this tax is yearly increasing. It will soon average £800,000 per annum. The proposition, as I understand it, is to commute this passenger duty by a ten years' purchase of the same on a payment by the companies of a sum to the government, say, of £8,000,000 sterling, the amount to be raised by the issue of a loan by the railways to be added to their capital stock. The tax at the end of ten years would be removed altogether.

We have scheduled drawn bonds for Messrs. McCulloch & Co. during the current week amounting to $400,000.

The holidays have interfered with their collections of these bonds.

I have the honor to be, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN, *Secretary of the Treasury.*

No. 1185.

Mr. Sherman to Postmaster, New York City.

TREASURY DEPARTMEMT, *April* 19, 1879.

T. L. JAMES, Esq., *Postmaster, New York:*

SIR: Your letter of yesterday is received. Your suggestion that refunding certificates be converted into 4 per cent. bonds at the office of the assistant treasurer in New York when desired is impracticable, as in no case whatever can the bonds be issued from any place except Washington.

You will receive a circular from which you will see that we have modified the offer of the refunding certificates. They are now offered at par while the bonds command a premium, and in order to secure their general distribution we have had to limit them in the way stated in the circular. I would like to have the whole amount taken in this way within the sixty days, and hope you will push your sales as rapidly as possible, but strictly within the terms of the circulars.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1186.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER U. S.,
New York, April 19, 1879.

SIR: In carrying out your telegraphic order of the 18th inst., "to sell no more refunding certificates except for local demand, in sums not to exceed $1,000," we find that attempts are made to evade it by presenting a number of names which really represent only one person who pays the money and receives the certificates. Of course, where the design is admitted, or where there is probable evidence of it, we decline to entertain the application; but it is so easy to conceal it that it will be frequently resorted to, now that the 4 per cent. bonds, into which the certificates are convertible, are above par. We shall use our best efforts to give full effect to your orders, and yet it may not be possible to enforce them in cases where, from the desire of gain, parties are prepared to use deception.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1187.

Assistant Treasurer, Chicago, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER, U. S.,
Chicago, Illinois, April 19, 1879.

SIR: I have the honor to acknowledge the receipt of your telegram of yesterday, early in the day, directing me to "sell no more refunding certificates, except for local demand and in sums not to exceed one thousand dollars." Although not requiring any reply I deem it proper, in view of the present condition of the certificate question, to give some idea of the situation in Chicago.

Prior to the closing out of the direct subscriptions for four per cents there was no disposition on the part of the banks to push these certificates. But if the restrictive telegram had not prevented it the entire amount on hand would have been exhausted during the day. I took the liberty to construe the maximum of $1,000 to mean actual value, including interest. It was found necessary to ask applicants if they were buying for themselves or a bank.

Permit me to suggest that the limit be placed at $40. Those desiring more than that amount can get a bond. I take it the intention of the refunding certificate act was to accommodate the frugal poor, whose savings are in driblets. Judging from the experience of this office up to date the redeemable bonds would all be exhausted on this plan before any more matured.

I cannot close this letter without adding my congratulations upon the completion of the grandest work in all financial history. It constitutes an absolutely imperishable monument, at once national and personal in its glory.

Very respectfully,

FRANK GILBERT,
Assistant Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1188.

Ninety-ninth call.—Redemption of 10-40 *bonds of* 1864.

TREASURY DEPARTMENT,
Washington, D. C., April 21, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," and the act of Congress approved January 25, 1879, entitled "An act to facilitate the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, known as "ten-forty bonds," of the act of March 3, 1864, will be paid at the Treasury of the United States, in the city of Washington, on and after the 21st day of July, 1879, and that the interest on said bonds will cease on that day.

REGISTERED BONDS.

$50—No. 1,451 to No. 1,578, both inclusive.
$100—No. 11,101 to No. 11,732, both inclusive.
$500—No. 7,101 to No. 7,492, both inclusive.
$1,000—No. 29,301 to No. 30,618, both inclusive.
$5 000—No. 10,301 to No. 10,853, both inclusive.
$10,000—No. 24,701 to No. 27,570, both inclusive.

The bonds *outstanding* and represented by the above-mentioned numbers constitute the residue of those issued under the act of March 3, 1864, "ten-forty bonds."

All United States bonds, forwarded for redemption, should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners giving name or names thereof.* JOHN SHERMAN, *Secretary.*

No. 1189.

Mr. Sherman to Secretary of the Interior.

TREASURY DEPARTMENT, *April* 21, 1879.

Hon. CARL SCHURZ, *Secretary of the Interior:*

SIR: I have the honor to call your attention to the opportunity now offered to your Department to convert any five per cent. 10-40 bonds held in trust for Indians or others into four per cent. bonds. The power to make the conversion for trust-funds held by the government, under the terms of the circular of April 16, was reserved in the recent sale of bonds, but it should be exercised promptly.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1190.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 21, 1879.

Hon. JOHN SHERMAN, *Sec'y of the Treasury:*

DEAR SIR: We send herewith full description of our subscriptions to 4 per cent. funded loan on the 17th inst., amounting in all to $10,500,000; also inclose copies of our telegrams, five in all, each one of which was for a separate subscription.

We do not understand either your letter or telegram of this date. We telegraphed all our subscriptions as they came in, and filled up C. D. for all except the last, for the reason that our vaults were then locked up and we had no blanks outside.

Trusting that none of our telegrams have miscarried, and that there will be no mistake in our receiving all we have subscribed for,

I am, yours, respectfully, R. B. FERRIS, *Cashier.*

List of subscriptions of Bank of New York National Bank Association referred to in their letter April 21, 1879.

Date.	No. of C. D.	Depositor.	Amount.
April 16.	103	Chas. Unger & Co	$2,000,000 00
		Interest and premium	13,288 00
April 17.	104	I. & S. Wormser	1,500,000 00
		Interest and premium	10,129 50
April 17.	105	Morton, Bliss & Co	2,000,000 00
		Interest and premium	13,506 00
April 17.	106	I. & S. Wormser	2,000,000 00
		Interest and premium	13,506 00
April 17.	107	Morton, Bliss & Co	2,000,000 00
		Interest and premium	13,506 00
April 17.	108	Bank of New York	2,000,000 00
		Interest and premium	13,506 00
April 17.	109	Schafer Bros	1,000,000 00
		Interest and premium	6,753 00

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION.

Copies of telegrams sent April 17th, referred to in letter of April 21st.

1.

Send seventy-five certificates, ten thousand each, fifty of five thousand each, four per cents, in name of I. & S. Wormser; also four hundred bonds, five hundred each, three hundred of one thousand each, in all one million five hundred thousand. Certificate deposit by mail.

2.

We take two millions more fours; particulars later.

3.

Send one hundred and twenty certificates, ten thousand each, in name of I. & S. Wormser; also eight hundred coupon bonds one thousand each, in all two millions fours; certificate by mail.

4.

We subscribe for four million fours. This is in addition to all other telegrams. Certificates by mail.

5.

We subscribe for one million four per cent. bonds. Certificate of deposit will be forwarded later.

No. 1191.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 21, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

MY DEAR SIR: We sent *all* of our orders on Thursday, 17th instant, for subscription for 4 per cent. bonds by *telegraph*, confirmed by letter, except the last order for $1,000,000, which was sent soon after our books were locked up.

I know that this last order was sent before the syndicate was made up or telegraphed for the $150,000,000. I was at the First National until

some time after 5 o'clock; therefore I say that I know that the above order sent after bank hours was ahead of the order from the syndicate. The order was taken from our valued customers, Messrs. Schaffer Bros. They have been large dealers and subscribers through us. I feel that they are clearly entitled to the above amount, and I am sure you will see that they are as soon as you know the facts stated above. Our cashier will send you a memorandum showing you the order in which the telegram orders were sent. They were as follows:

$1,500,000 2,000,000 2,000,000 2,000,000 2,000,000 1,000,000	Certificates of deposits sent by mail for $9,500,000.
Total—$10,500,000	

Certificate for last *million* sent, as promised by telegraph morning of 18th instant, you will oblige by telegraphing to-morrow morning, after going over the papers, whether you do not consider us, or Messrs. Schaeffer Brothers, entitled to the $1,000,000 last referred to. I hope to-morrow to receive a definite answer about the $2,000,000 subscribed for upon the 4th instant, which we are clearly entitled to.

Our friends are daily inquiring about these subscriptions. I remain,

Yours faithfully, CHAS. M. FRY, *President.*

No. 1192.

Notice concerning redemption of called bonds.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., April 21, 1879.

The Treasury Department will now redeem called bonds embraced in the 84th and 85th calls, paying interest to the date of redemption, or it will redeem at once bonds included in said calls with interest to the date of maturity, and apply proceeds to the payment of any subscription for the 4 per cent. consols.

No. 1193.

Mr. Sherman to Mr. Conant.

[Cable Telegram.]

TREASURY DEPARTMENT, *April* 21, 1879.

CONANT, *London:*

You are authorized to receive only five-twenty called bonds and ten-forty called bonds as collateral. SHERMAN.

No. 1194.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, April 21, 1879.

SIR: I have the honor to acknowledge the receipt to-day of department circular of the 18th inst.

The provision limiting the amount of refunding certificates to be issued at one time to $100 differs from your telegraphic order of that date, which fixes the amount at $1,000.

In our operations on Saturday we were governed by your dispatch, but since receiving the circular we have conformed to it. The language, "not to exceed $100 at one time," might seem to admit of any number of applications from the same person if made at different times, either during the same or different days, but we have declined to act on this construction, as contrary to the intent if not the words, and shall continue to do so unless otherwise directed.

With the limitation to $100, our daily issues cannot in any event reach a very large sum; but whatever the amount may be, a large proportion of the certificates will be likely to fall into the hands of small speculators rather than the class for which they were intended.

We cannot well discriminate between applicants, and to the limit fixed in the circular have to treat all alike.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1195.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *April* 21, 1879.

PRESIDENT FIRST NATIONAL BANK, *New York City:*

SIR: The department having decided to sell the United States refunding certificates for the next sixty days only in accordance with the provisions of department's circular of the 18th instant, copy inclosed, your subscription of the 17th instant for $40,000,000 has been declined, and the Treasurer United States has been requested to return to you the certificate of deposit issued therefor, with necessary instructions for cancellation and counter entry of the amount in his account. The department will, however, allot you the amount of the certificates remaining unsold at the close of business June 17th, or the four per cent. bonds, into which they are convertible, if you desire it, and will so inform this office within ten days from date of this letter. If not advised within the time mentioned, I shall feel at liberty to make any other arrangement concerning their sale.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1196.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 22, 1879.

Hon. CHARLES F. CONANT,
In charge of the Agency for Refunding the National Debt,
London, England:

SIR: On the 18th instant I cabled you as follows: "By letter to associates notice is given that after May 4, I will deliver four per cent. bonds to, and receive called bonds from, other parties in London." Soon after forwarding which I received your dispatch of same date as follows: "Will you allow me to deliver to J. S. Morgan & Co., for contracting parties, $10,000,000 option transferred from Bank of Commerce subscription. Rothschild & Sons don't take their share; taken by August Belmont & Co. Then (when?) will it be practicable to send me four per cent. consols." To which I replied as follows: "I have received your cable of the 18th. The last ten millions may be delivered to J. S. Morgan & Co. Ten millions four per cent. consols will be sent to-morrow with letter of instructions."

On the 19th instant I cabled you that Ferree's party with bonds had sailed to-day by steamer "City of Berlin," and on the 21st instant, in compliance with the request of Messrs. Drexel, Morgan & Co., I cabled you that "you are authorized to receive *only* five-twenty bonds (called) and ten-forty bonds (called) as collateral."

As explained to you in a previous letter, the Department cannot receive from the contracting parties uncalled bonds as collateral security for four per cent. consols delivered by you.

The April 1st coupon will be detached by you from the $5,000,000 bonds now in your hands, and to be delivered against the April 4th subscription by the contracting parties, the coupons cancelled and forwarded to the Department as unissued.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1097.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *April* 22, 1879.

CASHIER BANK OF NEW YORK NATIONAL BANKING ASSOCIATION:

SIR: I have to acknowledge the receipt of your telegrams of the 21st and 22d instant, respectively, as follows: "All subscriptions on seventeenth telegraphed; in all ten million five hundred thousand," and "what is total of subscriptions on seventeenth you allow us;" and in reply to the latter I have telegraphed you as follows:

Amount of your subscription to fours, seventeenth, is ten million five hundred thousand, which amount has been allowed to your bank.

Upon the receipt of your telegram, stating that all of your subscriptions of the 17th instant had been notified to the department by telegraph on that day, the mass of telegrams concerning subscriptions which had been received at the department on the 17th and 18th instant were again carefully examined, and your telegraphic order for $1,500,000 4 per cent. bonds was found, and as the department desires to deal justly with all subscribers, the acceptance of the disputed subscription for $1,000,000 has been arranged.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1198.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *April* 22, 1879.

CASHIER BANK OF NEW YORK NATIONAL BANKING ASSOCIATION:

SIR: In reply to your letter of the 18th instant, concerning your subscription for $2,000,000 United States 4 per cent. bonds, under date of April 4th, you are informed that as the certificates representing said subscriptions were not mailed at or before 3 o'clock on that day they cannot be accepted, and that the Treasurer of the United States has been instructed to return them in the usual manner.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1199.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, April 22, 1879.

DEAR MR. SECRETARY: I inclose herewith copy of the Times of yesterday, which contains an editorial on the progress made and the triumph you have achieved in refunding the debt. The article, taken as a whole, is very complimentary. It contains, however, some almost inexcusable blunders. For instance, it alleges that the principal of the debt has been increased since 1876 by the sum of £25,000,000, principally through a reissue of Treasury notes. I find that the debt for that period, deducting the cash in the Treasury, was reduced $72,339,089.16, and that the legal tenders, &c., decreased $42,050,558.75.

It would be a hopeless task to undertake to make these people here understand the method of our debt statement. I should shudder at the thought of transferring to this soil the old controversies we have had regarding the method of statement of our debt accounts. No explanation is ever made concerning the British debt beyond the simple statement that the "funded" is said to be so much, and the "unfunded" so much. Nothing is known concerning any "interest accounts," or cash in the treasury.

The Times gives us credit for the reduction we have made, but it is not distributed properly. I am in some doubt about the wisdom of making the writer appear ridiculous by attacking all of his statements. I have made memoranda which I shall try to have submitted to Mr. Walters, and failing, I shall submit it to Mr. Giffin, of the Statist.

The statement, as it stands, will do us no harm, and therefore I shall be exceedingly careful in trying to have it corrected.

My answer to the apparent increase in the principal of the debt is, that it arises through refunding operations; that is, by including the 4 per cent. bonds in the statement before the called bonds disappear from it.

I received in due time your letter, accompanied by two of the published volumes of your speeches.

Yours, with great respect, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1199½.

DEPARTMENT OF THE INTERIOR,
Washington, April 22, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I have the honor to acknowledge the receipt of your letter of the 21st instant, calling my attention to the opportunity now offered to this department to convert 5 per cent. 10-40 bonds held in trust by me as Secretary of the Interior for various Indian tribes, into 4 per cent. bonds, under the terms of the circular of your department of April 16.

In reply, I have to say that the second section of the act of Congress approved September 1, 1841 (5 Stat., p. 465; R. S., sec. 3659), directs that "all funds held in trust by the United States, and the annual interest accruing thereon, when not otherwise required by treaty, shall be invested in stocks of the United States bearing a rate of interest not less than 5 per centum per annum." As I am directed by this act to invest all trust funds in United States bonds drawing a rate of interest of not less than 5 per centum per annum, I am unable to accept the terms offered for the conversion of said bonds.

Very respectfully, C. SCHURZ, *Secretary.*

No. 1200.

Mr. Sherman to Assistant Treasurer New York.

TREASURY DEPARTMENT, *April 22, 1879.*

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: I have received your letter of the 21st instant calling attention to department's circular of the 18th instant limiting the sales of United States refunding certificates to amounts not exceeding $100 at one time, and stating that you cannot well discriminate between applicants, and to the limits fixed in the circular have to treat all alike, though attempts are made to evade it by presenting a number of names which really represent only one person.

In reply, you are informed that it is not deemed advisable to attempt to restrict the sales made under the provisions of the circular mentioned, and you may, to the limit of $100 fixed in the circular, sell to every person who may apply for the certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1201.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *April 23, 1879.*

GEORGE F. BAKER,
President First National Bank, New York, N. Y.:

SIR: Referring to the call issued this day by the department for the redemption of the outstanding bonds of the loan of June 14, 1858, I have to inquire whether you will purchase an amount of 4 per cent.

consols, on the terms of your subscription of the 17th instant, sufficient to cover said call, which is for the sum of $260,000.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1202.

Mr. Sherman to Frederick W. Meyer and others.

TREASURY DEPARTMENT, *April* 23, 1879.

FREDERICK W. MEYER, Esq.:

SIR: You are notified that the bond of the loan of 1858 registered in your name and embraced in the one hundredth call (of which a copy is herewith inclosed) will be received at this department in exchange for a like amount of the 4 per cent. consols at par, interest to be adjusted on both classes of bonds to the date of the exchange.

If you desire to avail yourself of this offer you will notify the department within ten days.

Very respectfully, JOHN SHERMAN, *Secretary.*

MEM.—A copy of the above letter was sent to each holder of the bonds of the loan of 1858.

No. 1203.

One hundredth call.—Redemption of 5 per cent. bonds of 1858.

TREASURY DEPARTMENT,
Washington, D. C., April 23, 1879.

By virtue of the authority given by the act of Congress approved July 14, 1870, entitled "An act to authorize the refunding of the national debt," and the act of Congress approved January 25, 1879, entitled "An act to facilitate the refunding of the national debt," I hereby give notice that the principal and accrued interest of the bonds hereinbelow designated, of the act of June 14, 1858, will be paid at the Treasury of the United States, in the city of Washington, on and after the 23d day of July, 1879, and that the interest on said bonds will cease on that day:

REGISTERED BONDS.

$5,000—No. 1 to No. 3,337, both inclusive.

Total..... $260,000

The bonds outstanding and represented by the above-mentioned numbers constitute the residue of those issued under the act of June 14, 1858.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption *account of the owner or owners, giving name or names thereof.*

JOHN SHERMAN, *Secretary.*

No. 1204.

Mr. Sherman to Secretary of the Interior.

TREASURY DEPARTMENT, *April* 23, 1879.

Hon. CARL SCHURZ, *Secretary of the Interior:*

SIR: I have the honor to acknowledge the receipt of your letter of the 22nd instant, in which you state that you are unable to accept the terms offered for the conversion of the 10-40 bonds held by you in trust for Indian tribes. I will thank you to furnish me a statement of the amount and numbers of the various 5-20 and 10-40 bonds thus held by you, so that a sufficient amount of four per cents to cover them may be reserved from sale, with a view to further legislation by Congress in respect to the rate of interest.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1205.

Bank of New York National Banking Association to Mr. Sherman.

THE BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, April 23, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

DEAR SIR: We are in receipt of yours of the 22d in reference to our subscriptions to 4 per cent. funded loan, made on the 4th instant, and are very much surprised at its contents.

In the matter of placing the 4 per cent. loan we acted solely as the agent of the Treasury Department, and acknowledged depository of the Treasurer, not taking the loan as a matter of speculation for ourselves but by our subscriptions only covering actual sales; under this view we cannot accept the decision as final.

Our subscriptions, amounting to $2,000,000, were made in good faith under the authority of the circular of January 1, and without any knowledge of a combination bid or any intimation from the Treasury Department that bona-fide subscriptions taken during business hours would be rejected for a subscription made out of the usual course, and not such a subscription as was contemplated by your circular.

It has not been our custom to telegraph our subscriptions except at the request of the subscribers. On the day in question the certificates of deposits and credits to the Treasurer's account were made as speedily as possible on receipt of the subscriptions and sent from the cashier's desk to the mailing clerk. The question of being deposited in the post-office is one which enters into the convenience of doing our business and cannot affect the validity of the subscriptions. The amount of the subscriptions to the extent of $2,000,000, taken on the 4th instant, stand to the credit of the Treasurer of the United States on our books. Messrs. Unger & Co. and Vermilye & Co. are very much chagrined at the hesitation to allow the subscriptions, as they will be put to positive loss, having sold bonds before subscribing, and it may raise an unpleasant question as regards our liability to them.

Respectfully, R. B. FERRIS, *Cashier.*

No. 1206.

Mr. Sherman to Messrs. Vermilye & Co.

TREASURY DEPARTMENT, *April* 23, 1879.

Messrs. VERMILYE & CO., *Bankers,*
No. 16 *and* 18 *Nassau Street, New York:*

GENTLEMEN: Referring to your letter of the 21st instant, in which you offer to take the United States refunding certificates in sums of ten thousand dollars or over, and give bonds to sell them at not over par and accrued interest in sums less than one hundred dollars to any one person per diem, I have to advise you that the department does not feel at liberty to dispose of the certificates other than as provided in circular of April 18, 1879, copy inclosed, and I must therefore decline to accept your proposition.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1207.

First National Bank of New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 24, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: In response to your letter of 23d instant, we hereby subscribe for $260,000 United States 4 per cent. consols of 1907, in accordance with the terms mentioned, and inclose in settlement our certificate of deposit No. 105, for $261,955.46.

We also inclose duplicate voucher for the ¼ per cent. commission upon the above subscription, say, $325. The above certificate we credit to Treasurer United States in our general 4 per cent. account, not in account No. 2.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1208.

First National Bank of New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 24, 1879.

DEAR SIR: The large and increasing sale of refunding certificates at the post-office and sub-treasury in this city makes it seem proper to call your attention to the fact that these purchases are very largely for resale to brokers to realize the premium on 4 per cent. bonds, and not for actual investment.

We suggest that these sales should be restricted (especially at the post-office) so as to confine them to bona fide investors of *small* sums by the people amongst whom it is so desirable they should be widely distributed.

If you find considerable lots coming for conversion, a preference given to other and more pressing business might tend to discourage this kind of business.

Yours, truly, GEO. F. BAKER, *President.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1209.

First National Bank, Concord, N. H., to Mr. Sherman.

FIRST NATIONAL BANK, *Concord, N. H., April* 25, 1879.

Hon. SECRETARY OF THE TREASURY, *Washington, D. C.:*

DEAR SIR: We trust you will pardon the seeming persistency of this bank in again urging its claim for the acceptance of the subscription made on the 18th instant for $100,000 United States 4 per cent. bonds. We feel confident that the spirit and intention of the circular issued by the department on the 16th instant was to give all depositary banks equal facilities to subscribe to the 4 per cent. bonds. If we are correctly informed, the subscription made by the "syndicate" was not forwarded until after the close of business on the 17th, and not acted upon by the department until the 18th instant. The subscription of this bank was forwarded by wire on the morning of the 18th, and it seems but just that it should receive as favorable attention as any subscription of that date. The officers of this bank feel that they have a just claim for the amount of the subscription of the 18th instant: and if the $150,000,000 4 per cent. bonds offered have passed entirely beyond the control of the department without reserve, we would respectfully ask that an amount of refunding certificates covering the subscription to $100,000 4 per cent. bonds be assigned to this bank.

I remain, very respectfully, WM. F. THAYER, *Cashier.*

No. 1210.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *April* 25, 1879.

Hon. CHAS. F. CONANT, *London, England:*

SIR: I have to acknowledge the receipt of your letter of the 12th.

I understand that Baron Rothschild declined to take the allotment of $10,000,000 four per cents from the Bank of Commerce, but transferred his interest in them to Mr. Belmont, and this led to the transfer of the sale to J. S. Morgan & Co., of which I have written you.

I have to renew my instructions of the 17th instant, that after the 10th day of May you will be prepared to deliver bonds to other parties upon telegraphic notice of sales here, and receive called bonds from them in the same manner in which the business has heretofore been conducted with the Messrs. Rothschild.

I leave it to your discretion to arrange for office and safes with Messrs. J. S. Morgan & Co., or with Messrs. Morton, Rose & Co. In future deliveries that may be arranged for by me the purchasers will be required to pay the expenses of your office at some proper rate.

I inclose copy of the call for the bonds of the loan of June 14, 1858, which closes all the bonds now redeemable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1211.

Mr. Sherman to Postmaster, New York City.

TREASURY DEPARTMENT, *April* 25, 1879.

POSTMASTER, *New York*:

SIR: Your letter of the 23d, advising me of your progress in making sales of refunding certificates, is received and approved.

I cannot consent to furnish these certificates to the persons referred to by you in amounts larger than $100. It is the policy of the department to secure to individuals of small means an opportunity to invest their savings in the certificates, and this policy will not be departed from in any case. You may not be able to prevent persons desiring larger sums from evading to some extent the limit of purchases, but you should seek, so far as you can, to make the distribution among the greatest number possible.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1212.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *April* 26, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: I have to acknowledge the receipt of your letter of the 24th instant, and accompanying certificate and voucher.

You misunderstood the terms of my letter of the 23d, which was a mere inquiry as to whether you would purchase the bonds referred to on the terms of your subscription of the 17th, and therefore your absolute subscription and certificate are premature. Four per cent. bonds have been offered to the holders of the five per cent. bonds of 1858, in exchange, and to the extent that this is accepted, subscriptions cannot be accepted.

I return your certificate and voucher, but will consider your letter as an application for four per cent. bonds sufficient to cover the balance of the loan of 1858, not covered by said exchange.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1213.

First National Bank New York City to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 26, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: I hand you herewith a telegram from Foote & French of Boston, showing how the refunding certificate sales are working there.

The brokers are offering them to us in round lots from Philadelphia, Baltimore, and elsewhere, $50,000 at a time. The New York post-office has sold to-day, we understand, about $150,000, most of which were sold to speculators; certainly nine-tenths of them. We have heard to-day from a party who has an arrangement to procure $5,000 per day from a post-office in New Jersey, and other similar cases have come to our notice.

It looks now as if the operation would result in great labor and expense to the department with very small advantage to the class you intended to reach.

Regarding the New York post-office sales, if you will divide $150,000 into $100 lots you will see that 1,500 people would have to be served during the five business hours, if sales were confined absolutely to $100.

Perhaps you can find a way to remedy the trouble.

Very respectfully, H. C. FAHNESTOCK, *Vice-President.*

[Telegram.]

BOSTON, *April* 26, 1879.

To H. C. F., *First National Bank:*

One broker has twelve thousand funding certificates; sends twenty men to buy hundred each. What can he do with them? He wants to know; so do we.

F. & F.

No. 1214.

Messrs. Fisk & Hatch to Mr. Sherman.

NEW YORK, *April* 26, 1879.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We beg leave respectfully to call your attention to the fact that the sale of the $10 refunding certificates under your circular of April 18 is not accomplishing the purpose which you had in view in reserving them for popular sale, viz, their distribution among the people in small sums for the investment of their savings, but that, on the contrary, the privilege which you intended for people of small means is being notoriously abused and appropriated by speculators who take out these certificates systematically and accumulate them, not for investment and not for conversion into four per cent. bonds for investment, but for the purpose of converting them immediately into four per cent. bonds for sale in the market to realize the difference.

The limitation of the sales to $100 to any one person at one time is grossly and openly evaded and violated in various ways which the public officers who have charge of the sales are not responsible for, and are, perhaps, under existing regulations, powerless to prevent. For example, it is well known, and can be observed by any one who takes the pains to notice it, that at the office of the assistant treasurer, and at the post-office in this city, lines of boys are constantly in attendance, who, after receiving their $100 each, take their places at the end of the line again, and so repeat the operation many times in a day, in the interest of some speculator or broker who hires them for the purpose. Again, we are informed that the postmaster of a neighboring suburban city regularly supplies a broker with $5,000 of the certificates per day, the broker handing him each time a list of 50 names of supposed small investors. In another case a postmaster in a New England town, who is conscientious about it and anxious to carry out his instructions in accordance with their true intent and spirit, has found himself at a loss when an applicant has presented a list of 30 different names and asked for $3,000 of the certificates, feeling that it was probably a trick to evade the limitation, and yet not clear that he had any authority to refuse to supply them to the 30 pretended applicants by proxy.

That the great bulk of the certificates which have been sold since the 18th inst. have not been taken by small investors and held by them for investment or ultimate conversion, but have fallen into the hands of speculators and brokers, is plainly indicated by the fact that they are being constantly offered on the street in lots of from $5,000 to $50,000.

That all this is injurious to the interests of those who, in good faith, subscribed for all the remaining balance of the 4 per cent. bonds on the 17th inst. will be manifest to you at once. That it is contrary to your own

purpose and intention in reserving the refunding certificates for popular sale for sixty days is, of course, perfectly understood.

We beg leave to submit for your consideration the following suggestions, which, if you can consistently act upon them, would go far to remedy the evil:

1. That the conversion of refunding certificates into four cent. bonds be limited, like the sale of the certificates, to sums of $100 to any one person at one time, and, as would necessarily follow, to bonds of the denominations of $50 and $100. This would be no injustice or hardship to the small investors for whose benefit the sale of the certificates was reserved, and would be entirely in harmony with the purpose for which they were originally authorized, and for which you reserved them from sale to the syndicate on the 17th inst., and would foster and encourage their use for that purpose by defeating the plans of the small speculators whose operations are now diverting them therefrom.

2. That no conversions of certificates into four per cent. bonds be made at the Treasury Department until after all previous orders for and subscriptions to four per cent. bonds have been filled, including, of course, the combined subscription of the 17th inst.

This, also, would work no injustice or inconvenience to the *bona-fide* small subscriber who buys the certificates to hold for investment, while it would discourage the speculative operations above described.

Trusting that these suggestions may commend themselves to your favorable consideration, we remain,

Very truly yours, FISK & HATCH.

No. 1215.

Mr. Hawley to Mr. Sherman.

TREASURY DEPARTMENT, *April* 27, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: In compliance with your request of this day to carefully examine all the correspondence between this department and the Bank of New York National Banking Association touching the subscription of two million dollars to the four per cent. loan claimed to have been made by that bank on the 4th instant, for the purpose of ascertaining whether such subscription was made and mailed before three o'clock on that day, I have carefully examined such correspondence, and find that on that day and after four o'clock a telegram was received from the bank containing such subscription.

It is not contended that that was in time, nor is any claim now made in consequence. On the same day the bank sent forward a subscription for that amount by letter, in which, after stating it had just been advised that subscriptions had been received by the department covering the whole of the outstanding five-twenties, it adds: "We suppose there will be no question about including this subscription under the old terms. If not, please advise us by wire, that we may cancel the contracts"; referring, of course, to the contracts of the bank to deliver bonds to their subscribers. There are several letters on file from the bank bearing different dates between the 4th and 23d instant, in reply to letters from the department touching the time when the subscription was, in fact, made, the department having at once both reported the receipt of the telegram and letter of 4th instant, advised the bank that

the whole loan had been taken previous to the receipt of its subscription.

It has been claimed by the bank from the first, and is now claimed, that the subscription was made in apt time, and that the department ought to accept the same. There is, however, no evidence that the subscription was made before 3 o'clock on the 4th instant. In fact, the bank in its last letter of the 23d instant seems to admit that it was not so mailed. In that letter the bank says:

> On the day in question the certificates of deposit and credit to the Treasurer's account were made as speedily as possible on receipt of the subscription, and sent from the cashier's desk to the mailing clerk. The question of being deposited in the post-office is one that enters into the convenience of doing our business, and cannot affect the validity of our subscriptions.

That letter was in response to the department's letter of the 22d instant, notifying the bank that as the certificates representing such subscription were not mailed at or before three o'clock on that day they cannot be accepted. All the subscriptions made on that day, and not received by telegraph or shown to have been mailed before 3 o'clock, have been rejected by the department. This bank, with full notice that only those subscriptions made by telegraph or actually mailed by 3 o'clock on that day could be accepted, has failed to make such proof.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1216.

1879.
Department No. 66.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., April 28, 1879.

The attention of all officers of the United States charged with the sale of refunding certificates is called to the manifest purpose of the act of February 26, 1879, providing for the issue of such certificates, that they shall be issued only to enable persons to invest small savings in government securities.

In the circular of April 18 it was announced that all the four per cent. bonds offered for sale had been sold, and that these certificates would be reserved for sale in sums not to exceed one hundred dollars at one time.

The department is advised that, in consequence of the rise in value of four per cent. bonds, this intention of the law has been evaded in some places for speculative purposes, with a view to the immediate conversion of the certificates in large sums into bonds for sale. Where such evasion is manifest, or where any one person claims more than $100 either for himself or others, the certificates will be refused, and the authority of any designated depositary who fails to enforce this circular will be withdrawn, and commissions will not be allowed on sales made by him.

The Treasurer and assistant treasurers of the United States will be required to strictly observe this circular.

Hereafter, commissions on sales will be allowed at the rate of one-eighth of one per cent., as heretofore, but only to designated depositaries for the sale of refunding certificates. When the average sales, however, are in excess of $10,000 per day, and less than $50,000, the rate of commission on such excess shall be one dollar per thousand dollars, and when in excess of $50,000 per day it shall be fifty cents per thousand dollars on the excess.

Owing to the great pressure upon the department in the issue of four per cent. bonds already subscribed for, and the redemption of called five-twenty and ten-forty bonds, the conversion of refunding certificates into bonds will necessarily be postponed until on or after July 1 next.

JOHN SHERMAN, *Secretary.*

No. 1217.

Mr. Sherman to Bank of New York National Banking Association.

TREASURY DEPARTMENT, *April* 28, 1879.

CHARLES M. FRY, Esq.,
President Bank of New York
National Banking Association, New York.

SIR: I have to acknowledge the receipt of your letter of the 23d instant, respecting your subscription of $2,000,000 4 per cent. bonds on the 4th day of April, and have to advise you that after a careful examination of all the facts and correspondence bearing upon the matter, it is the decision of the department that your subscription was not made in time to authorize the delivery to you of the bonds referred to.

The loan offered was limited to the amount necessary to refund the 5-20 bonds, and the amount was exhausted by subscriptions made in due course of business prior to three o'clock on the 4th of April.

I cannot recognize subscriptions made to you, but only subscriptions completed and made to the department by you, and it appears clearly that your subscription was not made until after the full completion of the loan, and after the department had so announced.

The grounds of this opinion are more fully given in a letter to me from Assistant Secretary Hawley a copy of which is herewith transmitted for your information.

It has been the desire of the department to comply with all its engagements according to their letter and spirit. I would be gratified to send you the bonds referred to, but in my judgment it would be plainly in excess of my authority, and I must therefore decline to do so.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1218.

Mr. Sherman to First National Bank New York.

TREASURY DEPARTMENT, *April* 28, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 26th instant is received. No doubt some evasions are practiced by bankers and brokers to secure the ten-dollar refunding certificates in contravention of the circular limiting their sale, but I am assured from different quarters that this is not done to a very large extent except in New York, and cannot be prevented. I called the attention of Postmaster James personally to the matter, stating that I wished to give the greatest possible number of people of limited means an opportunity to invest in these certificates, but not to throw the sale open to bankers for speculative purposes, and I will adhere to this.

I think now, as I told you in the beginning, that before the sixty days have passed the whole of the certificates will be taken, and in a way to carry out the policy of the law authorizing them. The interest excited in their sale will probably help rather than hurt you in the sale of bonds, as but very few come in for exchange for bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

P. S.—Upon reflection I have concluded to issue a circular modifying the previous one, which I think will tend to prevent the abuses you refer to.

No. 1219.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *April* 29, 1879.

SHERMAN, *Washington:*

Party has arrived safely. CONANT.

No. 1219½.

Mr. Sherman to First National Bank, Concord, N. H.

TREASURY DEPARTMENT, *April* 28, 1879.

Cashier FIRST NATIONAL BANK, *Concord, N. H.:*

SIR: In reply to your letter of the 25th instant concerning your subscription of April 18th to the 4 per cent. loan, you are informed that this Department has not accepted any bids for 4 per cent. bonds or refunding certificates made later than the 17th instant, and that the rule cannot be varied in favor of your bank.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1220.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, April* 29, 1879.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.:

SIR: In reply to your letter of 21st instant we write to inform you that we accept your proposal to allot to this bank the amount of United States refunding certificates remaining unsold at the close of business on June 17, or the four per cent. bonds into which they are convertible.

When notified of the amount we will to that extent renew our subscription of April 17, and forward the necessary certificate.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1221.

Assistant treasurer, Chicago, Ill., to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Chicago, Ill., April 29, 1879.

SIR: I deem it my duty to make an informal report of the refunding operations of this office.

With hardly an exception the applicant for refunding certificates asks for the maximum amount allowed, and not a few are daily customers. Perhaps some of the banks make proxy purchases, but in my opinion, the mere fact that the market value of the certificates exceeds the selling price of the government is sufficient explanation of the speculation, quite independent of the banks. It is the custom of this office to be open to the public from 9 a. m. to 3 p. m. I took the liberty of announcing through the press this morning that no refunding certificates would be sold except between the hours of 10 a. m. and 2 p. m. I understand that those are the usual sub-treasury hours.

Care is taken not to sell the same person two lots the same day, and yesterday a gang of district telegraph boys were turned away empty; but as a rule the speculation is beyond control, and it is impossible to suggest a remedy.

Very respectfully,

FRANK GILBERT,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary Treasury.*

No. 1222.

Assistant Treasurer, Cincinnati, Ohio, to Treasurer United States.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Cincinnati, Ohio, April 30, 1879.

SIR: I have the honor to inform you that I find it impossible under present instructions to control the issues of the refunding certificates to purposes intended. A mob of speculators and paid emissaries hold possession of access to the cashier's counter through the entire office opening to the exclusion of individual investors—especially females—who cannot afford to lose the time necessary to meet their turns, to enable them then to secure $50 or at most $100. The result, therefore, is that the certificates are mainly going into the hands of bankers and speculators. In view of these facts, and at the suggestion of Mr. S. B. Harrison, president of the First National Bank of this city, I ask to be allowed to issue to him individually, from time to time, to the extent, say, of two hundred thousand dollars, to be distributed by him at par and accrued interest to the small investors, females and others, who are unable to obtain them through this office because of the monopoly of the ground by the paid employés of speculators. Mr. Harrison pledges his personal integrity and good faith for the distribution of these issues as indicated, and I respectfully suggest that purposes for which they are intended will be more nearly realized by this than by any other methods within the control of the office. My own judgment favors the permission asked, and I beg to say that any discretion allowed me in the distribution of these certificates will be used only in favor of *bona fide* investors.

Very respectfully,

A. M. STEM,
Assistant Treasurer United States.

Hon. JAMES GILFILLAN,
Treasurer United States, Washington, D. C.

No. 1223.

Mr. Hawley to Postmaster, Allegheny, Pa.

TREASURY DEPARTMENT, *May* 1, 1879.

POSTMASTER, *Allegheny, Pa.:*

SIR: In reply to your letter of the 29th ultimo, asking if the department pays for the transportation of the proceeds of sales of United States refunding certificates forwarded for deposit, I have to inform you that the money received by you from sales of certificates will be withdrawn by the Treasurer of the United States from time to time, without risk or expense to you.

If you desire to be designated a United States depositary for the sale of United States refunding certificates, and will so inform this office, such designation will be made and the necessary blanks sent you without delay.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 1224.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 2, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: To facilitate the deliveries of 4s under our recent subscription, we request that you will direct the assistant treasurer of New York to redeem for us five million (5,000,000) matured called bonds embraced in the collateral securities now in his hands, we substituting for them other U. S. bonds.

We make this request on account of the exceptional delay now involved in redemptions at Washington, and the great inconvenience of transmitting so large a sum and awaiting returns. It is proper to say that we have a large additional amount in process of collection through the usual course.

Very respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1225.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 2, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Understanding that your present arrangement for deliveries of 4 per cent. bonds in London will be terminated on the 10th instant, we write to request that you will direct Mr. Conant and the necessary clerks to remain thereafter, until further notice, at the expense of this bank, for the purpose of delivering such portion of our subscription of April 17th as we may have occasion to use in London. Please direct Mr. Conant, on and after the 10th instant, to deliver, under instructions of this

bank, the five million ($5,000,000) 4s he has now in London against equal amount of called bonds, or coupons, or against temporary deposit of other U. S. bonds; in all cases delivering bond for bond and leaving interest and commissions to be settled at the Treasury Department.

All called bonds and coupons to be transmitted to the Department as a part of our general collateral.

Please cable such part of these instructions as may be necessary, as letters will not reach London by 10th instant. We understand that you will send to Mr. Conant such further amounts of 4s as we may require, forwarding them in shipments of not less than ten million dollars ($10,000,000) at our expense.

Very respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1226.

Mr. Hawley to Mr. Sherman.

TREASURY DEPARTMENT, *May* 2, 1879.

Hon. JOHN SHERMAN, *New York, N. Y.:*

DEAR SIR: Your letter of yesterday touching the complaint made by the First National Bank of New York, that unreasonable delays have occurred in remittances for matured called bonds forwarded for payment, did not reach me until after three o'clock this afternoon. It appears by the postmark that it was not mailed until 11.30 last night.

I have consulted with Mr. Gilfillan and Mr. Fletcher touching the two points mentioned: First, concerning such delays; and, second, in regard to the payment of such called bonds at New York, less the interest. I am satisfied that no change should be made in the present arrangement. By conversation with these two officers, I learn that checks are usually forwarded in the course of three days from the time the bonds are received. Within the last few days there may have occurred instances when a little longer time was required, owing to the facts stated by Mr. Gilfillan in his letter of this date, herewith inclosed, and to the great pressure in the loan division, but no cause of complaint is likely to arise in the future.

I inclose also a memorandum by Mr. Fletcher on the same subject, and the usual daily statements.

Very truly, yours, JOHN B. HAWLEY.

[Inclosure to No 1226.]

Memorandum by Mr. Fletcher.

There are three objections to the proposition to pay called bonds at the sub-treasury in New York:

First. The lost and stolen bonds against which caveats have been filed often have their numbers so skillfully changed that it is impossible to detect them except by comparison with the names and numbers on the numerical registers of this office.

Second. In many cases duplicate bonds are issued on bonds of indemnity, and there is danger of redeeming both duplicates and originals when the bonds are redeemed before comparison with the numerical registers.

Third. The liability of the sub-treasury to get bonds in the wrong calls. This happens with nearly every lot of bonds received from New York for redemption.

[Inclosure to No. 1226.]

TREASURY OF THE UNITED STATES,
Washington, May 2, 1878.

SIR: In regard to the request made by the First National Bank, New York, that called bonds belonging to it may be redeemed by the assistant treasurer at New York, upon presentation, you ask my views in regard to that proposition and information as to the length of time that called bonds are held in this office before proceeds thereof are remitted by check.

The rule in this office is to send a check in redemption of called bonds the day following their receipt in this office.

This has been invariably the case up to the 30th ult., when the figures were made up for the debt statement, which threw the redemption back a little, but not more than 24 hours, and the office is rapidly overcoming that delay.

In regard to the proposition to authorize the assistant treasurer at New York to redeem called bonds presented by the First National Bank, I should be averse to the proposition, for the reason that if done for that bank it should be done for all; for the reason that the assistant treasurer has no information as to caveated and "stopped" bonds, and because the dispatch of business in the department is all that any reasonable party could expect, the receipts of this office being from 500 to 1,000 cases daily. More clerks are to be put on at once, and the utmost promptness will be reached. I do not think the redemptions in favor of the First National Bank average much more than $100,000 a day.

It might be mentioned, in connection with the case of the First National Bank, that the balance to the credit of the Treasurer in its hands on subscription account, now subject to draft, is more than $20,000,000 in excess of the called bonds in the department belonging to that bank applicable to the account.

Very respectfully, JAS. GILFILLAN, *Treasurer U. S.*

Hon. JOHN B. HAWLEY,
Acting Secretary of the Treasury, Washington, D. C.

No. 1227.

Mr. Hawley to First National Bank, New York.

TREASURY DEPARTMENT, *May 3, 1879.*

H. C. FAHNESTOCK, *V. P. First National Bank, New York:*

SIR: I have to acknowledge the receipt of your letter of the 2d instant, in which you request that to facilitate deliveries of 4 per cent. bonds, under your recent subscription, the assistant treasurer of the United States at New York be authorized to redeem $5,000,000 matured called bonds upon the terms stated by you.

The request will be granted, and instructions will be sent accordingly to the assistant treasurer, provided that you will bear the cost and assume the risk attending the transportation of said bonds to the Treasury at Washington, and that the granting this request shall not be held to in any way bind the department to any repetition of this privilege.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 1228.

Mr. Hawley to First National Bank, New York.

TREASURY DEPARTMENT, *May 3, 1879.*

H. C. FAHNESTOCK, *V. P. First National Bank, New York:*

SIR: I have to acknowledge the receipt of your letter of the 2d instant, in which you request that 4 per cent. bonds may be delivered to you in London through Mr. Conant on account of your subscription to the loan.

You are notified that after the 10th instant the 4 per cent. bonds now in Mr. Conant's hands in London, which are not covered by subscriptions by other parties, under the contract with them of January 21, 1879, will be delivered to you against an equal amount of coupons or called bonds, you to pay the expense of the agency of Mr. Conant in such deliveries after that date. You are also notified that upon your request for the transmission of ten million dollars bonds as a part of your recent subscription, they will be forwarded to London for delivery through Mr. Conant, you to pay all the expenses incurred in such transmission and delivery; and further shipments, in amounts of not less than ten million dollars each, will be made as may be requested by you, and that the general course of business adopted in the delivery of bonds in London under previous contracts will be observed as to such bonds. Mr. Conant will be advised by letter and cable of this arrangement, which, however, shall not be held to preclude the department from offering like facilities upon like conditions to any other parties who have subscribed to the 4 per cent. loan.

Very respectfully,

JOHN B. HAWLEY,
Acting Secretary.

No. 1229.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., May 3, 1879.

DEAR MR. SECRETARY: I have the honor to acknowledge the receipt of your letters dated the 12th, 13th, and 17th instant, in regard to refunding operations. The events (which were looked upon in financial circles here as next to the miracles of the olden time) which occurred immediately after the first two letters were written make a specific answer to them unnecessary. It would be impossible for any one not here to realize how much our government credit has been improved through the grand success you have achieved in refunding during the last three months, and especially within the last thirty days. I made a friendly visit yesterday at the Messrs. Baring Bros., and was highly pleased with the pleasant things which, in the course of the conversation, Mr. Edward Baring and Mr. Sturges said of our 4 per cent. bonds and of our credit. They say that these bonds will be constantly sought for by investors here as amongst the best of securities. They highly praised your management of the loan.

I note what you were pleased to say in regard to maintaining friendly relations with the Messrs. Rothschild, the delivery of bonds to Messrs. J. S. Morgan & Co., the delivery of bonds to other parties after the 10th instant, and the desire of Hon. L. P. Morton that the offices of his firm (Messrs. Morton, Rose & Co.) be selected as the place of deposit for our bonds, &c.

I have already delivered five of the ten million bonds to Messrs. J. S. Morgan & Co., and they will without doubt, as sales are very active, take the balance before the 10th instant. My relations with the Messrs. Rothschild are cordial, although the baron is dissatisfied in regard to the ten million option. I had a long conversation with him respecting the matter on Thursday last. I stated to him in substance that the contract with the syndicate terminated when the subscriptions to the 4 per cent. bonds equaled the amount of the 5-20 bonds outstanding;

that on the 4th of March, in order that there might be no misunderstanding about the matter, you addressed personal letters to the associates to that effect; that it was necessarily incumbent upon you to receive all subscriptions made, and that, as the syndicate hesitated and delayed their subscriptions, after having had a month's notice, and other parties came forward and took up the balance of the bonds, they certainly had no just cause for complaint.

Neither the Messrs. Rothschild nor any one else will do anything to prejudice the sale of our bonds in this market.

The Messrs. Rothschild will certainly not interfere with us in any way.

* * * * * * * *

As we shall have to remain here at least two weeks or more to finish the schedules of coupons paid in to us by the Messrs. Rothschild, I have not thought it worth while to cable you in regard to change of location.

I infer from your letter of the 18th that the new syndicate propose to sell bonds in this market. I suppose they will sell them in the market which will take them at the highest price, and I think, therefore, that they will place liberal amounts here. With money abundant, as it is at present, and with no means of employing it, it is probable that many of the banks will invest in these bonds. I hear of the purchase of one million on yesterday by one of the banks. Discount houses are allowing only ½ per cent. for money on deposit or call, and I think money can be borrowed at the rate of one per cent. per annum on our bonds as collateral. I find that a great many of our railway bonds have been purchased recently on American account, and this must have caused an indebtedness to this market against which four per cent. United States bonds may be sold. These large transactions in bonds make the statement of the balance of trade, as shown by the exports and imports, very unreliable data upon which to base any calculations as to the movement of gold.

I take it for granted that you do not apprehend that in the operation of closing out the remainder of the four per cents the money market will in any manner be disturbed.

The condition of money affairs in all the European centers will continue to be favorable for our operations.

We have had no telegrams of any importance from your side during the current week.

I should be pleased to have you send me two copies of your recently published volume of speeches on finance and taxation for presentation to Professor Patterson, one of the contributors to the Edinburgh Review, and to Mr. Robert Giffin, of the board of trade, who is considered very high authority on many subjects.

I am, with great respect, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1230.

Mr. Hawley to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *May* 3, 1879.

CONANT, *London:*

After May 10th you are authorized to deliver to the order of the First

National Bank of New York 4 per cent. consols, receiving called bonds and coin coupons therefor.

Premium and interest account adjusted here. HAWLEY.

No. 1231.

Mr. Hawley to Mr. Conant.

TREASURY DEPARTMENT, *May* 3, 1879.

Hon. CHARLES F. CONANT,
In charge of the Agency for Refunding the National Debt,
London, England:

SIR: I have to-day sent you the following by cable, viz: "After May 10 you are authorized to deliver to the order of the First National Bank of New York 4 per cent. bonds, receiving called bonds and coin coupons therefor. Premium and interest account adjusted here."

I have now to inclose for your information copies of Mr. Fahnestock's letter to the department and my reply thereto.

You will note that the First National Bank is to defray the expense incident to the delivery of 4 per cent. bonds to their order in London, including the cost of transporting to the department the called bonds and coupons received by you on account of said deliveries; and, in order to ascertain the exact amount for which the bank will be liable, you will keep a separate account of all expenses incurred in the maintenance of the agency in London from and after May 10th.

A statement of your expenditures up to that date should be forwarded to the department as soon as practicable.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 1232.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 3, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: It is agreed by this bank that in any advances or payments made to it by the assistant treasurer at New York on called bonds, the bonds shall be subject to the subsequent examination of the Treasury Department, and upon the discovery of any informality, error, or fraud, the bank will immediately refund the money.

Very respectfully, H. C. FAHNESTOCK,
Vice-President.

No. 1233.

Mr. Hawley to Assistant Treasurer, Cincinnati Ohio.

[Telegram.]

TREASURY DEPARTMENT, *May* 3, 1879.

UNITED STATES ASSISTANT TREASURER, *Cincinnati, Ohio:*

In sale of certificates be governed by department's circular of twenty-eighth ultimo. JOHN B. HAWLEY,
Acting Secretary of Treasury.

No. 1234.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 6, 1879.

SHERMAN, *Washington:*

I have received your letter of the 25th. Will have arrangements made as requested by you. CONANT.

No. 1235.

Mr. Hawley to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *May* 6, 1879.

CONANT, *London:*

The seventy-five thousand delivered March seventeenth is on account of contract of January 21, 1879. HAWLEY.

No. 1236.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 7, 1879.

SHERMAN, *Washington:*

I have to say, in reply to your cable of yesterday, I have delivered N. M. Rothschild & Sons, $11,475,000. Please see my letter of March 18, in regard to seventy-five thousand; did not receive an answer, supposed its terms accepted. CONANT.

No. 1237.

Bank of New York National Banking Association to Mr. Sherman.

BANK OF NEW YORK NATIONAL BANKING ASSOCIATION,
New York, May 7, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: We are in receipt of your letter of the 28th April, addressed to President Fry. We supposed that in the matter of taking subscriptions to the four per cent. funded loan we were acting as agents of the Treasury Department, and that subscriptions taken by recognized United States depositories would be binding in the order in which they were made whether advised by mail or by wire, which we were not in the habit of doing except in occasional instances. Under this supposition we fully expected that the subscriptions made with us on the 4th of April would be allowed, and that the order of time in which the sub-

scriptions were made at the agencies as well as at the Treasury would be the rule of allotment, or at least that the remaining bonds to close out the five-twenties would be prorated among the subscribers.

We have not yet effected a settlement with the subscribers.

Respectfully, R. B. FERRIS, *Cashier.*

No. 1238.

Mr. Hawley to First National Bank, New York.

TREASURY DEPARTMENT, *May* 8, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York:

SIR: In compliance with the request contained in your letter of the 7th instant (J. T. B.), I have to inform you that the cable instructions sent to Mr. Conant on the 3d instant and referred to in my letter to you of that date, are as follows, viz:

"After May 10 you are authorized to deliver to the order of the First National Bank of New York four per cent. consols, receiving called bonds and coin coupons therefor. Premium and interest accounted adjusted here."

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1239.

Mr. Hawley to the Surveyor of Customs, Cincinnati, Ohio.

TREASURY DEPARTMENT, *May* 8, 1879.

REUBEN H. STEPHENSON, Esq.,
Surveyor of Customs, &c., Cincinnati, Ohio:

SIR: Your letter of the 5th instant, inquiring whether you are authorized to deliver United States refunding certificates to a reliable manufacturer, merchant, or banker, who may furnish you with proper amount in payment therefor, accompanied with a list of names and a reliable statement to the effect that the certificates will be delivered to the parties named, has been received.

In reply I have to inform you that the department has decided to dispose of the certificates only in accordance with the provisions of department's circular of April 28, 1879, copy inclosed, which do not permit an amount of the certificates exceeding $100 to be sold at one time to any person whether the person desires them for himself or others.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1240.

Mr. Hawley to Assistant Treasurer, Cincinnati, Ohio.

TREASURY DEPARTMENT, *May* 9, 1879.

UNITED STATES ASSISTANT TREASURER, *Cincinnati, Ohio:*

SIR: Referring to your telegram of the 8th instant, in which you ask to be allowed some discretion in the sale of United States refunding

certificates in favor of saving investors, you will be governed in this matter by the provisions of department's circular of the 28th ultimo.

As you were directed by telegram on the 3d instant to be governed by the provisions of the circular mentioned, your telegram of yesterday appears to have been unnecessary.

In this connection your attention is invited to department's circular of October 8, 1874, relating to telegraphing, copy inclosed, and by the provisions of which you will be hereafter governed.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1241.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 9, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: As some evidence of the extent to which your recent order regarding sales of your refunding certificates is evaded, we request your attention to inclosed extracts from our correspondence of to-day. We are constantly in receipt of similar proposals—generally from the large cities—and have no doubt that seven-eighths of the daily subscriptions are for account of speculators who are not entitled to them, and that the sales to this extent are made to the prejudice of the government, because they are made at 99⅞ and interest as against 100⅜, we stand ready to pay for them, and because they involve the further labor and expense to the department of their subsequent conversion into bonds.

We beg to suggest that you can correct this in great measure without any public order or announcement by diminishing the production of the certificates to $300,000 per day, or, at the outside, $500,000, and sending these in preference to the interior towns, where the purchasers are mainly legitimate, and reducing the daily deliveries to the large cities to a minimum.

We do not hesitate to say that a supply of $50,000 certificates per day to this city would be largely in excess of the possible legitimate demand, and under your order would represent sales to five hundred different persons.

Very respectfully, H. C. FAHNESTOCK, *V. P.*

[Extract from a letter from a Baltimore banking-house, dated May 8, 1879.]

Make a good bid for $250,000 refunding certificates, and if the offer is high enough, we may make it $500,000. We are offered 101⅛ to-day, but it is too low for a round lot.

[Extract from a letter from a Boston bank, dated May 8.]

A Lawrence bank wrote to the Secretary, since the 18th ult., to send them $100 refunding certificates. The answer was the department did not deliver less than $1,000 free. They sent $900 more and received the $1,000 certificates.

Then their directors sent for $1,000 apiece, and they have received one lot of this second enterprise and expect the balance. When they come, their "cute" cashier will have all his folks order $1,000 apiece.

All this the cashier told me to-day.

[Telegram from a Chicago banking-house, dated May 8.]

How will you exchange $50,000 or $100,000 refunding certificates for four per cent. coupons? Answer.

[Telegram from a Philadelphia banking-house, dated May 9.]

At what rate will you loan money on $50,000 refunding certificates?

No. 1242.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, May 10, 1879.

DEAR MR. SECRETARY: I observe through the quotations that the current rates for money in New York are about two per cent. lower now than they were one month ago, and that exchange on London has advanced in the same period, and that it is now nearly at the shipping point; indeed, uncomfortably close upon it. But for the fact that money is cheap and abundant here, there might be, very naturally, some apprehension felt as to the shipment of gold; but money will continue to be plentiful here, at low rates of interest, until a revival of business shall take place, and that is not to be looked for in the near future.

The accumulation of gold here and on the continent indicated, to a certain extent, how greatly trade and business have diminished within the past year. The Bank of England has now in its vaults £33,600,000 in bullion, which is greater by £10,600,000 than it was one year ago. The Bank of France has increased its amount in the same period by £4,900,000, the stock at present being £86,900,000. The Bank of Germany now holds £27,200,000, an accumulation in the year of £2,600,000. The Netherland's Bank has increased its stock by the addition of £1,100,000, the present holding being £10,600,000. The high rate of exchange in New York is not due, so I think, wholly to the importation of our bonds. I find, by an examination of the trade returns of the United Kingdom for the four months ending April 30, 1879, as compared with the corresponding four months of 1878, that Great Britain, in the last four months ending with the 30th April last, has taken £1,957,611, in value, less from the United States in the article of *wheat*, and £1,678,107 less in raw cotton. The value of corn which has been supplied by the United States has, however, increased £376,362 in the same period. Our exports of these articles have fallen off, as you will observe, in value to the amount of £3,259,356. I notice also that we have increased our imports in a great number of articles, amongst them, silk manufactured articles, tin, &c. I suppose that our people will, now that they have reason to expect a return of prosperity, be much more inclined to make larger purchases on this side of the Atlantic, and in fact I am told by commercial men that sales of goods on American account were increasing. The market value of money has been about ½ per cent. higher this week than it was during last week. It is to be attributed to the placing of new loans. The Metropolitan Board of Works is inviting tenders for a loan of $2,150,000. The stock is to be in the form of consols, bearing 3½ per cent. interest, and will be issued at par. The price of silver has kept very steady during the past week. The German Government sold £70,000,000, which, with another amount, was shipped to Spain. It is said that the French Government has decided on the coinage of a trade dollar for the Cochin-China trade. The details have not yet been made public. The Frankfurter Zeitung is urging the German Government to coin a trade dollar, and in that way, it argues, the surplus silver might be disposed of at a profit. It is claimed that between the years 1854 and 1874 India absorbed the silver product of the new mines. I find that it would have been to our advantage to have issued 4 per cent. coupon bonds of the denomination of $5,000 for this market. Bankers inform me that they would have been extensively used by banks who lend on collaterals. That denomination

is very commonly used here, and it is a very convenient one, as it saves space in vaults.

Messrs. Morgan & Co. have disposed, so I am informed, of the $10,000,000. They have paid me and given me collateral for seven and one-half million, and I suppose will take the balance next week.

With great respect, I remain yours, truly,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN, &c., &c., &c.,
Washington, D. C.

No. 1243.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *May* 10, 1879.

H. H. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 9th instant is received. Some evasion in the sale of refunding certificates is unavoidable by reason of the high price of bonds, but it is carried on to a very limited extent and with a good deal of difficulty. It seems to me that the price of bonds is advanced so high that it will tend to deter conversions of other bonds into four per cents and thus leave a large volume on the hands of the subscribers at the end of the ninety days. I know that shrewd bankers are looking to such a condition of affairs with a view to buying at lower rates than the present.

Would it not be well for you to sell freely four per cents in exchange for called bonds, and thus avoid the possibility of a glut of bonds in the market sixty days hence.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1244.

Notice to holders of five-twenty bonds of the United States maturing after July 1, 1879.

1879.
Department No. 72.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., May 12, 1879.

Notice is given that the following-described five-twenty registered and coupons bonds, consols of 1867 and 1868, embraced in the ninety-fourth, ninety-fifth and ninety-sixth calls, on which interest will cease on the 3rd and 4th days of July next, will be redeemed at the Treasury Department, in Washington, on the 1st day of July next, WITH INTEREST TO THE DATE OF MATURITY OF THE BONDS, viz:

CONSOLS OF 1867.

Coupons bonds.

$50—No. 117001 to No. 128833, both inclusive.
$100—No. 220001 to No. 245000, both inclusive.
$500—No. 112001 to No. 118580, both inclusive.
$1,000—No. 303001 to No. 327429, both inclusive.

Registered bonds.

$50—No. 3251 to No. 3279, both inclusive.
$100—No. 23701 to No. 23829, both inclusive.
$500—No. 11561 to No. 11588, both inclusive.
$1,000—No. 44601 to No. 44732, both inclusive.
$5,000—No. 16451 to No. 19266, both inclusive.

CONSOLS OF 1868.

Coupon bonds.

$50—No. 1 to No. 15992, both inclusive.
$100—No. 1 to No. 36770, both inclusive.
$500—No. 1 to No. 13111, both inclusive.
$1,000—No. 1 to No. 26455, both inclusive.

Registered bonds.

$500—No. 1 to No. 2087, both inclusive.
$1,000—No. 1 to No. 7088, both inclusive.
$5,000—No. 1 to No. 1816, both inclusive.
$10,000—No. 1 to No. 2613, both inclusive.

The usual semi-annual schedules for the payment of interest on the above-named registered bonds will not be prepared as heretofore, but in lieu thereof the six months' interest, due July 1, together with the interest from that date to the maturity of the bonds, will be paid with the principal to the holders of the bonds at the time of presentation.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption," and if bonds are transmitted several days prior to July 1, the necessary examination will be made at once, and payment promptly made on the date mentioned.

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to "the Secretary of the Treasury for redemption for account of——— ———" (here insert name of person or persons to whose order the check should be made payable)."

JOHN SHERMAN, *Secretary.*

No. 1245.

Mr. Sherman to the Postmaster at Blaureltville, N. Y.

TREASURY DEPARTMENT, *May* 14, 1879.

POSTMASTER, *Blaureltville, N. Y.:*

SIR: Your letter of the 9th instant, stating that there are several parties in your vicinity who desire to purchase about $3,000 worth of U. S. refunding certificates and asking that the above amount be furnished you, has been received.

In reply, I have to inform you that the department has decided to dispose of refunding certificates only in accordance with the provisions of department's circular of April 28, 1879 (copy inclosed), which does not permit an amount of the certificates exceeding $100 to be sold at one time to any person whatever.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1246.

First National Bank New York to Mr. Sherman.

[Telegram.]

NEW YORK, *May* 15, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

Please forward Conant immediately bonds sufficient to make delivery of fifteen million fours. We have sold that amount to J. S. Morgan and associates.

They bid us for thirty million, but we decided to give them only fifteen, reserving remainder for American market, as a sale of thirty would not leave enough to replace ten forties still held by Comptroller.

H. C. FAHNESTOCK, *V. P. First National Bank.*

No. 1247.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 15, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Confirming our telegram of this date, we have to request that you will at once forward to Mr. Conant a sufficient amount of U. S. 4 per cent. bonds to enable him, with those already in his hands, to deliver $15,000,000, which we have sold in London.

We will thank you to instruct Mr. Conant to deliver this $15,000,000 to Messrs. J. S. Morgan & Co. against called bonds and matured coupons, final settlement to be made by them direct with the department on or before July 13 next, upon the terms of our subscription of April 17, viz, at 100½ and interest accrued to April 17. All such payments by them are, of course, to be credited as a transfer of funds by this bank, with advice to us of the amounts.

If this mode of settlement is satisfactory, we will thank you to *telegraph* us to that effect to-morrow morning.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1248.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 15, 1879.

SHERMAN, *Washington:*

As directed by your cable of third, I have delivered to date (to) McCulloch & Co., on account of First National Bank New York, $600,000 4 per cent. coupon bonds.

I have not received an answer to my cable of 7th.

Rothschilds desire me to ask you if you will ask First National Bank,

New York, the terms that they will sell Rothschild & Sons $1,000,000 or $2,000,000 4 per cent. coupon bonds to be delivered and paid for here. I suggest compliance—friendly act. CONANT.

No. 1249.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *May* 15, 1879.

GEORGE F. BAKER, Esq.,
President First National Bank, New York:

SIR: A cable just received from Mr. Conant contains a request from Messrs. Rothschild & Sons, that I ask you what you will sell them one or two million four per cent. coupon bonds for, to be delivered and paid for in London.

Please answer in the morning if you wish to make the sale. If you have already sold all you desire to sell for delivery in London, please so state.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1250.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *May* 15, 1879.

Hon. JOHN SHERMAN, *Secretary of Treasury, Washington:*

Please ship the bonds on Saturday, if possible.

H. C. FAHNESTOCK,
Vice-President First National Bank.

No. 1251.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *May* 15, 1879.

Hon. CHARLES F. CONANT, *London, England:*

SIR: Your letter of the 3d inst. is received and carefully read.

This letter will be delivered to you by a party in charge of $10,725,000 bonds, part of fifteen million sold by the last syndicate to J. S. Morgan & Co., in London, of the particulars of which you will be advised by the inclosed copy of a letter from Mr. Fahnestock.

These bonds are delivered under the arrangement that the syndicate is to be charged with all the expenses, to be estimated and stated in the usual way. This will probably be the last shipment of bonds, as it leaves in the market, as near as we can ascertain, only about $50,000,000 for domestic sales, and these will be easily absorbed before the three months are out.

The sale of the ten dollar certificates proceeds in a very satisfactory manner, they being eagerly sought for by all classes of people, with a constant cry for more.

We are now printing them at the rate of $1,000,000 a day, and will soon reach $2,000,000, and this will not supply the demand.

No doubt many of them are purchased for the banks, to be converted into four per cent. bonds, but a large portion gets into the hands of small investors, as designed by the law.

As for the place and mode of delivery of the bonds sent, together with those already in your possession, I leave that to your discretion, which you should exercise with very great care.

Assure Baron Rothschild of my regret that there was the slightest difference as to the terms of the last contract with him.

My desire has been to close all these important contracts without the slightest misunderstanding and with the conviction on the part of all the parties that the United States has fully complied with all its promises.

Your statement to him of our position in this respect is approved.

I have now no fear of any tightening in the money market in closing out our refunding operations.

The sale of the certificates does withdraw some currency, but we take care to pay it out promptly on called bonds.

Our reserves are intact, and there appears to be no demand for either gold or silver coin.

Very respectfully, JOHN SHERMAN, *Secretary.*

MAY 16.—P. S. At the last moment it was found impossible to get suitable accomodations for the party on the "Britannic," and their departure is postponed until next Wednesday.

Therefore, I send this letter by mail instead of with the party, so that you may know in advance of the sale to Messrs. J. S. Morgan & Co.

No. 1252.

First National Bank, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *May* 16, 1879.

Hon. JOHN SHERMAN, *Secretary Treasury, Washington:*

Mr. Baker will explain to you that the conditions of our sale of fifteen will make it impossible to sell to party mentioned by Mr. Conant.

FIRST NATIONAL BANK.

No. 1253.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *May* 16, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank, New York, N. Y.:

SIR: I am in receipt of your letter of the 15th instant, concerning the delivery of the fifteen millions 4 per cent. consols to Messrs. J. S.

Morgan & Co., in London, under your subscription of the 17th ultimo, and requesting that Mr. Conant be instructed to receive in payment therefor United States called bonds and matured coupons; and, further, that you desire that the department settle for said 4 per cent. bonds, on or before July 13 next, directly with Messrs. J. S. Morgan & Co. In reply, I have to say that the proposal to have the settlement for these bonds made with other parties must be declined.

Mr. Conant will be instructed to deliver the bonds to your order upon the receipt by him of a like amount of United States called bonds or matured coupons. The bonds and coupons so received will be forwarded to this department for redemption, and after having been verified by the Treasurer of the Unitid States, the proceeds thereof will be credited to your subscription account in the usual manner.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1254.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *May* 16, 1879.

CONANT, *London:*

In (the) circumstances (the) $75,000 will be allowed as subscription by N. M. Rothschild and Sons. $10,725,000 4 per cent. coupon bonds (1,000s) will be sent twenty-first, making with what you have on hand $15,000,000, to be delivered to order (of) First National Bank of New York.

SHERMAN.

No. 1255.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *May* 16, 1879.

CONANT, *London:*

I am advised by First National Bank, New York, that sale made yesterday to J. S. Morgan & Co., makes (it) impossible to sell N. M. Rothschild & Sons any 4 per cent bonds. SHERMAN.

No. 1256.

Mr. Sherman to Mr. Wheeler.

TREASURY DEPARTMENT, *May* 17, 1879.

Hon. WILLIAM A. WHEELER, *President of the Senate:*

SIR: I have the honor to acknowledge the receipt of the resolution of the Senate of the 16th instant, in words as follows, viz:

Resolved, That the Secretary of the Treasury be directed to report to the Senate what amount of the legal-tender notes of the United States have been presented and

redeemed in coin since January 1, 1879, and also what amount of coin he considers himself authorized to retain in the Treasury for the purpose of maintaining resumption of specie payments under the provisions of the act of January 14, 1875.

In reply, I have to state that there has been redeemed in coin since January 1, 1879, of legal-tender notes an amount of $4,133,513.

As to the amount of coin authorized to be retained in the Treasury for the purpose of maintaining resumption of specie payments, I have to state that under the provisions of the resumption act, authorizing the Secretary of the Treasuary, in order to prepare and provide for the redemption of United States notes, to use any surplus revenue in the Treasury not otherwise appropriated, and to issue certain bonds of the United States, the coin reserve of the Treasury has been increased to $138,000,000, that being about forty per cent. of the notes outstanding to be redeemed, and believed to be the smallest reserve upon which resumption could be prudently commenced and successfully maintained, as fully set forth in my last annual report.

This reserve arose from the sale of $95,500,000 bonds and from surplus revenues as authorized by law, and it must, under existing law, be maintained unimpaired for the purpose for which it was created.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1259.

First National Bank of New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, May* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Referring to our recent letters concerning the abuses growing out of the sale of refunding certificates, we beg to hand you herewith a package of straps taken from original packages of the certificates, purchased within the past few days by a banking-house in this city. Each strap contained $1,000 of certificates in consecutive numbers, as noted in pencil on the straps.

This evidence, representing $43,000 of the certificates, comes from one house only.

The numbers may enable you to ascertain where they were sold. It will be quite easy to furnish you a much larger number of similar straps.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1260.

Mr. Sherman to Assistant Treasurer, Baltimore, Md.

TREASURY DEPARTMENT, *May* 19, 1879.

UNITED STATES ASSISTANT TREASURER, *Baltimore, Md.:*

SIR: I am informed that the amount of $20,000 of United States refunding certificates remitted to you on Friday, the 16th instant, from the office of the Treasurer of United States, for sale, was disposed of by you in less than thirty minutes.

As this amount could not have been disposed of by any one person

within the time mentioned under the provisions of department's circular of April 28, 1879, I will thank you to fully report, by return mail, as to the manner of conducting the sales of the certificates at your office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1261.

Mr. Sherman to Postmaster, Baltimore, Md.

TREASURY DEPARTMENT, *May* 19, 1879.

E. B. TYLER, Esq., *Postmaster, Baltimore, Md.:*

SIR: Evidence has just been received at the department showing that some of the United States refunding certificates forwarded by the Treasurer of the United States to you for sale have been purchased in New York in their original packages, containing $1,000 each.

As the certificates could not have been procured in the manner mentioned without a direct violation of your instructions, I will thank you for an explanation of the matter at once.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1262.

Mr. Sherman to Messrs. J. A. & W. H. Sweeney.

TREASURY DEPARTMENT, *May* 20, 1879.

Messrs. J. A. & W. H. SWEENEY,
104 *and* 106 *Nassau Street, New York City, N. Y.:*

GENTLEMEN: Your letter or the 15th instant, offering to purchase $1,000,000 United States refunding certificates at 101¼ and accrued interest, has been received.

In reply, I have to inform you that the department does not feel at liberty to dispose of the certificates other than as provided in department's circulars of March 12 and April 18, 1879 (copies inclosed), which provide for their sale only in sums not exceeding $100 at one time, and at par and accrued interest. Your proposition must, therefore, be declined.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1263.

Mr. Sherman to United States depositary, Burlington, N. J.

TREASURY DEPARTMENT, *May* 20, 1879.

M. J. MARTIN, Esq.,
United States Depositary, Burlington, N. J.:

SIR: Your letter of the 19th instant, asking to be allowed to increase your bond as United States depositary for the sale of United States refunding certificates in order that you may receive an increased supply, has been received.

In reply I have to inform you that in view of the limited time the

certificates will be for sale, and the number of public officers now bonded for this purpose, increasing bonds will not hereafter be approved by the department, and your request must, therefore, be declined.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1264.

Mr. Sherman to United States depositary, Altoona, Pa.

TREASURY DEPARTMENT, *May* 20, 1879.

T. B. PATTON, Esq.,
United States Depositary, Altoona, Penna.:

SIR: Your letter of the 16th instant, asking for permission to deposit the proceeds of sales of United States refunding certificates with the national bank depositary in your town, has been received.

In reply I have to inform you that the department has no authority to permit you to deposit the proceeds of sales of United States refunding certificates with the national bank depositary in your town, but the money received from their sale will be withdrawn from time to time without expense or risk to you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1265.

Postmaster, Baltimore, Md., to Mr. Sherman.

BALTIMORE, *May* 20, 1879.

SIR: In reply to your letter of the 19th instant, I beg leave to say that I have carefully inquired into the matter to which you refer, and find that my cashier who, prior to the receipt of your former letter, was designated to pay out certificates at some of the manufacturing establishments, did, *at the request of the men*, leave with the proprietors in a few instances the certificates (in the original packages, as he thinks) to be distributed at the next pay-day. I have made diligent and thorough inquiry to-day, and am satisfied that at least one of these proprietors has betrayed the trust reposed in him, and but for your letter may have obtained certificates of us to-day, although not in packages, for, since our interview, I have with my own hands endeavored to pay out the certificates in strict compliance with your instructions.

Very respectfully, &c., E. B. TYLER.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1267.

Assistant treasurer, Baltimore, Md., to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Baltimore, Md., May 20, 1879.

SIR: I am in receipt of your favor of 19th instant, inquiring as to the

manner in which the sale of the 4 per cent. certificates is conducted in this office.

Previous to the issuing of the circular of April 28, 1879, I reported that the certificates were falling in large blocks into the hands of brokers and speculators. Upon the reception of that circular I commenced selling in $100 lots at the window, but the premium on them soon stimulated the speculators to invent means to evade the spirit and intention of your circular.

Bands of repeaters were organized, from five upward, to the limit of safe management. The leader and fund-holder would place himself in close proximity to the window, and as his investor would pass him, he would place $100, with interest, in his hand. Having passed the window another of the managers of the gang would receive the certificates, and then the operative was ready to take place anew at the end of the line.

All this was a gross violation of the spirit, and letter, too, for that, of your circular of April 28, 1879. To question these repeaters was of no use, as they were ready to lie outright, for a more worthless looking set of ragged, shiftless men and boys could not be gotten together in any other place than a large city.

I had to leave all the certificates go thus into the hands of brokers and speculators (who, it was said, were employing these gangs indirectly), or invent some other way of carrying out the spirit of the law and your circular.

Accordingly, when any honorable and respectable citizen from the country or the city would apply for certificates and I was fully satisfied it was for a permanent investment, I let him have them in sums from $100 and upward to as high as three and four thousands.

The chief officers of some of the national banks, both in the city and country, also called on me and asked me whether it was possible to supply them with some of the certificates, as they wished to supply them to their customers. Of course these gentlemen would not stand in line for hours crowded and jammed among repeaters, such as I have described them; thus the people whom they represented would be without any.

Upon their assuring me that they were not getting them for speculation, and that they would use their efforts to place them among the people generally, I gave them certificates in larger amounts, but averaging the same among the applying bankers as nearly as I could.

Thus I gave the gangs of repeaters at the window, the honest single investors, and the banks what I daily received; the banks and single investors generally getting a little more than half of my daily supply.

My whole purpose has been to disseminate them generally and place them in the hands of bona-fide investors as far as it seemed to me possible to do under all the circumstances.

This is a full and fair statement of the manner in which the 4 per cents have been disposed of at this office.

I assure you that as far as the $100 rule of disposing of them to honest non-speculating investors is concerned, in this city, it is an entire and absolute failure. I have had a dozen applications to-day, of honest men, who wanted from a thousand to two or three as permanent investments, who say they have not the time nor the deceit to get them through the gang system.

I trust this fully explains what you desired to be informed of.

Very respectfully,

PETER NEGLEY,
Assistant Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1268.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *May* 21, 1879.

SHERMAN, *Washington:*

It is reported that all 4 per cent. bonds subscribed for, except by First National Bank, New York, have been sold. Is it true?

CONANT.

No. 1269.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *May* 21, 1879.

CONANT, *London:*

I have received your cable of twentieth.

Miscellaneous old subscriptions undelivered 12,000,000.

Last subscriptions undelivered about 50,000,000, principally First National Bank, New York.

Barnards party with bonds has sailed to-day by steamer Bothnia.

SHERMAN.

No. 1270.

Mr. Sherman to Mr. Bourk.

TREASURY DEPARTMENT, *May* 21, 1879.

R. A. BOURK, Esq., *New Orleans, La.:*

SIR: In reply to that portion of your letter of the 14th instant, stating that you have some refunding certificates which you desire to convert into four per cent. bonds, and asking whether you shall forward them to the department by express has been received.

In reply I have to inform you that owing to the great pressure upon the department in the issue of four per cent. bonds alseady subscribed for, and the redemption of called 5-20 and 10-40 bonds, the conversion refunding certificates will necessarily be postponed until on or after the 1st of July next.

The department will not pay express charges on the certificates transmitted to the Treasurer of the United States for conversion into four per cent. bonds, nor upon the bonds issued upon such conversion, and have, therefore, no suggestions to make as to the manner in which the certificates shall be forwarded.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1271.

Postmaster, New York, to Mr. Sherman.

NEW YORK, *May* 21, 1879.

SIR: Mindful of your expressed desire that the refunding certificates should be, so far as possible, placed in the hands of actual investors, I am constrained to inform you of the following facts:

This morning some time before the sale of the certificates opened, there were 405 women and 366 men in line. I am satisfied that, in the main, these parties represent themselves and not the brokers.

Still it is also my belief that they are largely speculators who purchase the certificates in order to avail themselves of the profit to be derived from the disposing of them to outside parties.

I inclose herewith an article clipped from the editorial column of an evening paper of yesterday's issue:

An extraordinary scene was witnessed yesterday in the New York post-office. Such a scene some sixteen or seventeen years ago would have been incredible. At that time, when the government had hard work to sell its bonds, paying high interest, at thirty or forty per centum below par, the idea that a time would come when not men only, but women would struggle and fight in competing crowds to get government bonds at their face value, and paying a third less of annual interest, would have been laughed at as impossible. Yet this is exactly what happened at 9 o'clock in the morning yesterday in the vestibule at the main entrance on the second floor of the post-office building, where a great crowd of women had gathered to rush in on the opening of the doors to buy 4 per centum certificates. When the doors finally opened there was a tremendous rush. The four attendant policemen were swept away like foam on the crest of a wave. The eager investors tore each others clothes, broke parasols, lost bonnets and bags, hair and shawls, and no fewer than twelve of them were at one time prostrate, struggling on the floor. Fortunately no one was seriously hurt, although there was danger for a few moments that many might be.

This morning Postmaster James had a full squad of officers at hand in order to contol the crowd and prevent mischief. We trust that the ladies who have so often curled their pretty lips from the gallery of the Stock Exchange at the seething, roaring crowd of money-grubbers below, will understand now that their sex have learned "how it is themselves."

Women who want to make money are very much like men who want to make money, after all. We only wish that the fair sex had more ways open to them for such reasonable acquisition than they have now, and that thus one source of the unrest, the suffering and worse that befall women, and especially in great cities, might be tempered or obviated.

Meanwhile it is satisfactory to know that so many New York women who have a little money are intelligent enough to know how to invest it.

Notwithstanding the facts detailed, I am using my utmost endeavors to carry out your views.

Very respectfully, THOS. L. JAMES, *Postmaster.*

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 1272.

Mr. Sherman to First National Bank New York.

TREASURY DEPARTMENT, *May* 21, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank New York City, N. Y.:

SIR: Referring to your letter of the 17th instant inclosing several straps taken from original packages of United States refunding certifi-

cates, purchased by a banking house in your city, and stating that each strap contained $1,000 of certificates in consecutive numbers, as noted thereon, I have to inform you that by means of the numbers the certificates were traced to the city of Baltimore, and were probably obtained from the assistant treasurer and postmaster of that city. A report has been received from each officer in relation to this matter, and I inclose herewith copy of the report from the postmaster, from which it would appear that the certificates will hereafter be sold by him strictly in accordance with the provisions of department's circular of April 28, 1879. The assistant treasurer at Baltimore will not be furnished with any more of the certificates for sale.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1273.

Mr. Hawley to Mr. Sherman.

[Telegram.]

WASHINGTON, D. C., *May* 21, 1879.

From House of Representatives to Secretary Sherman:

Pending amendment directs Secretary Treasury to pay, without discrimination, standard silver coin, the same as gold coin, in liquidation of all kinds of coin obligations; does that violate any national obligation?

To what amount are bonds payable in gold by law or by Treasury circulars? J. R. HAWLEY.

No. 1274.

Mr. Sherman to Mr. Hawley.

[Telegram.]

TREASURY DEPARTMENT,
Washington, D. C., May 21, 1879.

Hon. J. R. HAWLEY, *House of Representatives:*

No distinction is now made between gold coin and silver dollars, except in the payment of gold certificates, which are specifically payable in gold coin. No bonds are specifically payable in gold coin; but between February 12, 1873, the date of the coinage act, and February 28, 1878, the date of the standard silver dollar act, gold coin was the only legal coin standard of value. JOHN SHERMAN, *Secretary.*

No. 1275.

Assistant Treasurer, Baltimore, Md., to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
Baltimore, May 21, 1879.

SIR: I wrote yesterday detailing the manner in which the $100 rule in your circular of April 28, 1879, is perverted and defeated of its just

fulfillment. When I came to my office this morning I could not enter the main door, but had to get in by a private way. The main door of the custom-house (the hour of opening not having arrived) was barred to keep out the surging, whooping, and struggling crowd, which grows more villainous in looks and actions every day as it grows in dimensions. When it is remembered that my office is in the custom-house, and the respective windows where these certificates are paid out by the collector of customs and myself are not thirty feet apart, you may form some idea of the confusion and turmoil going on during the paying process. The regular business of this office is enterely suspended during this time, so far as other outside parties are concerned. I inclose an extract of the News, an afternoon paper of this city, descriptive of the crowd of $100 investors at a depositary's office uptown. It is a true picture of the crowd in this office at this moment.

This thing grows worse and worse as the premium on the four per cent. bonds advances. It is even demoralizing the employés of the custom-house, as some of them were repeaters at my window yesterday. Whether they do the same at the window of their chief, I cannot say. I also inclose you a letter of a lady applicant for some certificates this morning. It is one of many coming to me daily. Without presuming to suggest a remedy, I present these facts to fully inform you of what the literal enforcement of the $100 rule is developing.

Very respectfully,

PETER NEGLEY,
United States Assistant Treasurer.

To Hon. JOHN SHERMAN,
Secretary United States Treasury.

Inclosure to Mr. Negley's letter of May 21, 1879.

. NEGLEY, Esq.:

I wish to procure a few certificates, but being unable to contend with the crowd about your office, beg that you will give me the information as to how to obtain them. Hoping that you will give this your early attention,

Very respectfully,

ISABEL G. LEE,
Southwest Corner Garden and Biddle streets, Baltimore.

MAY 20, 1879.

No. 1276.

Mr. Sherman to Messrs. Brewster, Basset & Co.

[Telegram.]

TREASURY DEPARTMENT, *May* 22, 1879.

BREWSTER, BASSET & CO., *Boston, Mass.:*

Certificates, with accrued interest, convertible into four per cent. bonds upon presentation at office of Treasurer of United States after July 1. No premium exacted on fours into which certificates are convertible.

JOHN SHERMAN,
Secretary of Treasury.

No. 1277.

Mr. Sherman to Mr. Beck.

TREASURY DEPARTMENT, *May* 23, 1879.

Hon. J. B. BECK, *U. S. Senate:*

DEAR SIR: Your note was handed me by Mr. Chritzman, and I informed him that I had received a letter from Mrs. Thompson in reference to the refunding certificates this morning, and inquired into the matter. She had already received the full amount apportioned to her office daily, and, indeed, complaints have been made from Indianapolis that she had received too much. There are now six hundred depositaries all struggling for these certificates, and the fairest apportionment possible is made, and this has been done with Mrs. Thompson. There is no question here of the sufficiency or amount of her bond. Five days will close out the certificates.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1278.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, May 24, 1879.

DEAR MR. SECRETARY: On the 21st instant I had the honor to send a cable message to you, making an inquiry, as follows:

It is reported that all 4 per cent. funded loan bonds subscribed for, except by First National Bank of New York, have been sold. Is it true? * * * *

It was rumored here that the Bank of Commerce had disposed of all the bonds that it had received through its subscription made April 4 for $40,000,000, and that the other large subscribers had sold all of their bonds, and that now bonds could only be obtained from the First National Bank, and that it had disposed of the greater portion of its recent large subscriptions. It seemed very apparent that if all of the bonds had been disposed of at home, as reported, that the price of them would go still higher, and that for that reason this market would be practically closed for the sale of them; because, taking the high price of the bonds and the high rate of exchange into account (more than ½ per cent.) the yield of interest is so reduced that *investors* will turn to other sources which will give a larger return. The banks will, however, continue to purchase them just so long as they will yield 3 per cent. per annum. As the holding of these bonds here is not likely to be permanent, perhaps it is not of so much consequence into whose possession they may pass. But in the present condition of the New York exchange on London it seems to me that it is quite important that liberal sales should be made here. In my letter of the 10th I alluded to the decline in exports of grain from the United States as demonstrated in the board of trade returns, and to the increase in importations. I have just received a circular issued by McCulloch & Co., of New York, which states that "the latest official returns of foreign commerce show that the imports are gradually gaining in amount, while the exports are declining. * * * These figures indicate the beginning of a change in the relative volume of the imports and exports." I do not imagine that the balance

of trade which has been so largely in our favor, as between exports and imports, has been very much affected by the change in the relative volume referred to. There is no doubt, however, but that the excessive and reckless buying of all kinds of American stocks held in this market by people principally in New York, the result of cheap and abundant money and speculation there, has more than overcome the balance of trade in our favor, and made us debtors on money account to this market. Predictions are made to-day that gold will be shipped from New York to London. I have indulged the hope that the sales of 4 per cent. bonds here would prevent any such necessity. If the price of exchange could only be forced down, the 4 per cent. bonds would sell freely here.

In the early part of the week there were some signs of activity in the money market, but during the last twenty-four hours they have disappeared and quite a relapse has followed. Three months' bank-bills are quoted at about 1½ per cent., but loans are made on consols as security at from three-fourths to seven-eighths per cent. Cash money in the market is almost daily increasing. The Bank of France has reduced its rate from 3 per cent. to 2 per cent., and the rate on advances from 4 per cent. to 3 per cent. This is looked upon as quite a financial event. It is very seldom that the Bank of France changes its rate, and when a change is made the new rate is generally permanently continued for some time. In the present instance the reduction indicates that in the judgment of financiers the value of money will continue at a low figure for some time to come.

I regret exceedingly the unwise action of Congress in renewing the agitation of the silver question. The Times' correspondent sends a telegram nearly every day giving in substance the action of the House or of the committee on certain proposed measures. I do not say positively that the renewal of the discussion of this question is doing us serious harm, but I do say most emphatically that we are not deriving any benefit from it. It causes unfavorable comment and paves the way for suspicions of our honesty and integrity. There is quite a large class of merchants and manufacturers here who are interested in India, who wish us to adopt the extreme measures of the silver inflationists, and France would be only too glad to have us adopt free coinage. It would open up a way for her to escape from the difficulties and embarrassments she now finds herself in through her membership with the Latin Union. Italy has coined vast sums of small silver coins, and has used them in the payment of the interest on her debt; in fact, it is believed they were partly, if not wholly, coined for that purpose. France is flooded with silver which has found its way there from the several States of the Latin Union, and every visitor to Paris during the last two years will testify to the general complaints of the abundance of silver. Its circulation is forced. Traders and small retail dealers make every exertion to force it upon their customers in returning change. People were greatly surprised and astonished a few days ago by the announcement that of the £87,872,000 which the Bank of France reported as cash assets, over £40,000,000 of it was in silver coin. * * * * *

The solution of the silver question is a difficult problem for France. If our people wish to take upon their shoulders the burdens of India, Italy, France, and some of the poorer States, they can do it by establishing free coinage in the United States.

I saw a telegram some days ago to the effect that Mr. Evarts had under consideration the question of another international silver convention. I did not for a moment credit the report, although I had no doubt but that certain foreign states, through the distress caused in them by the

depreciation of silver, might have intimated to the United States authorities that they would be glad to join in such a convention.

It is said that the Paris mint is to coin a trade dollar, for circulation in Cochin China and the far East, to be of exactly the same weight and fineness as the American trade dollar. It is hoped that in this way the bank may find an outlet for some of its silver. The coinage is to be done for merchants, the government not to assume any responsibility. It is predicted, however, that the attempt to do this will prove a failure.

The recent Rotterdam failures have had no perceptible effect here, beyond inducing caution in mercantile transactions.

I have the honor to be, very respectfully, your obt. servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1279.

Mr. Sherman to Postmaster, Alden, Iowa.

TREASURY DEPARTMENT, *May* 24, 1879.

P. M. PRITCHARD, Esq.,
Postmaster, Alden, Iowa:

SIR: Your letter of the 19th instant, asking to be designated a United States depositary for the sale of refunding certificates, has been received.

In reply, I have to inform you that it has become apparent that the remainder of the certificates unsold will not last more than six days, and as nearly that time would necessarily be consumed in completing the official bond required to be approved before any certificates would be sent, it is not deemed advisable to designate any more public officers for this purpose. Your request must therefore be declined.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1280.

Circular.—Notice to holders of called bonds.

1879.
Department No. 80.
Secretary's Office.

TREASURY DEPARTMENT,
OFFICE OF SECRETARY,
Washington, D. C., May 26, 1879.

Holders of called bonds, which mature before the first day of July next, are requested to send them to the department for payment during the month of June. In this way the holders of such bonds will receive payment for them, with interest to maturity, before the bonds mature. The very large payments of called bonds to be made in July will fully occupy the different officers of the department in that month, and preference in the order of liquidation will be given to maturing bonds rather than to bonds past due, the holders of which have failed to present them for payment.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

When parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to the Secretary of the Treasury for redemption, *account of the owner or owners, giving name or names thereof.*

As it is impossible to notify directly the holders of such called bonds, the press of the country is respectfully requested to give publicity to this notice, that there may be no delay in the payment of the bonds, and that an accumulation of money in the Treasury may be avoided.

JOHN SHERMAN, *Secretary.*

No. 1281.

Postmaster, Boston, Mass., to Mr. Sherman.

POST-OFFICE, BOSTON, MASS., *May* 26, 1879.

SIR: I beg permission to refer to my communication addressed to you in New York and presented by my son there, in which I requested the privilege of depositing proceeds of sale of United States certificates daily, and as frequently as might be found necessary, and at same time to draw therefrom an amount equal to the deposits.

In your oral reply to my son, as well as by your letter of 8th May, designating me as United States depositary, I inferred that my request was granted, and consequently at once arranged for special clerical force, and incurred a correspondingly extra expense.

For several days past the assistant treasurer declines to furnish more than one-half the amount of certificates which he receives from Washington. This has reduced my receipts to-day to forty thousand dollars only. He also notifies me that he probably will be unable to allow me any certificates to-morrow. Many hundreds of citizens, after standing in the street from midnight till 12 o'clock to-day, have been turned away without any certificates whatever, disappointed and dissatisfied. Of the 21 postal stations in and around Boston, including Cambridge and Charlestown, and within my postal district, I have been able to supply only three or four with a meager number of certificates, so great has been the pressure by the public on this the central office.

Having, as already mentioned, incurred the extra expense of clerks, I beg respectfully to inquire whether it may not be quite consistent with public interest and policy to direct the assistant treasurer to respond fully to my deposits, so long as he has the certificates in possession to do it.

I am, very respectfully, yours, E. S. TOBEY,
United States Designated Depositary.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

No. 1282.

Mr. Sherman to Postmaster, Chester, Ills.

[Telegram.]

TREASURY DEPARTMENT, *May* 26, 1879.

POSTMASTER, *Chester, Illinois:*

No certificates will be saved. If your bond is approved before supply is exhausted, some will be sent you for sale.

JOHN SHERMAN, *Secretary Treasury.*

No. 1283.

Mr. Sherman to Assistant Treasurer, Boston.

TREASURY DEPARTMENT, *May* 26, 1879.

UNITED STATES ASSISTANT TREASURER, *Boston, Mass.:*

SIR: Your letter of the 24th instant, stating that you have employed a detachment of the city police force to assist in keeping order at your office, for which the city makes a per diem charge, and asking for authority to continue to employ the police during the sale of the refunding certificates if deemed needful, has been received.

In reply, I have to inform you that the employment of the police was not authorized by the department, and there is no appropriation available from which the per diem charge mentioned by you can be paid.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1284.

Mr. Sherman to General Patterson.

TREASURY DEPARTMENT, *May* 26, 1879.

GENERAL R. PATTERSON, *Philadelphia, Pa.:*

DEAR SIR: Your note of the 24th is received. I would have long since advanced the price of the four per cent. refunding certificates to 102 or 3, but unfortunately the law under which they are issued not only authorizes their issue, but directs that they be exchanged for United States notes. This is mandatory and allows me no discretion.

At the outset I desired to sell them at the same rate as the bonds, but, upon consideration, concluded that I had no authority to do so.

Any person had a right to demand them in exchange for United States notes.

I inclose you the circular containing the law.

Very truly, yours, JOHN SHERMAN, *Secretary.*

No. 1285.

Mr. Sherman to Merchants' National Bank, Dayton, Ohio.

TREASURY DEPARTMENT, *May* 26, 1879.

CASHIER MERCHANTS' NATIONAL BANK, *Dayton, Ohio:*

SIR: Your letter of the 22d instant, renewing your request that the Merchants' Bank of Dayton, Ohio, be allowed to receive deposits on account of subscriptions for United States refunding certificates, has been received.

In reply, I have to inform you that the First National Bank of New York, a United States depositary, subscribed last month for the whole amount of the refunding certificates remaining unsold, and furnished a proper certificate therefor. The department declined to accept the subscription, believing that the certificates would be held for a premium, and thus defeat the purpose of the act authorizing their issue. Having declined the subscription from the bank above mentioned, the depart-

ment did not feel at liberty to permit any other bank to act as a depositary for this purpose, though many had been designated.

It therefore became necessary to treat all depositary banks the same as individuals, allowing them to purchase only in sums not exceeding $100 at one time, and all were duly notified by department's circular of April 18, 1879, copy inclosed, that the certificates would not thereafter be issued upon the certificate of a national bank depositary.

Your letter of the 9th instant was an acknowledgment of the receipt of department's letter of the 7th instant on same subject, and it was not thought that you desired a reply.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1286.

Circular instructions to Independent Treasury officers.

TREASURY DEPARTMENT, *May* 27, 1879.

SIR: You will hereafter receive no subscriptions for registered refunding certificates invited by department's circular of March 26, 1879.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1287.

Mr. Sherman to Treasurer United States.

TREASURY DEPARTMENT, *May* 27, 1879.

Hon. JAMES GILFILLAN, *Treasurer United States:*

SIR: After to-day you will please sell no more certificates over your counter, nor will you furnish any for sale to public officers either in this city or Boston, New York, Philadelphia, or Baltimore. You will issue no more registered certificates, and you will limit the entire sale of the other certificates to $40,000,000, distributing the remainder as far as practicable among postmasters who have been designated United States depositaries for their sale, in places other than those above mentioned.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1288.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK NEW YORK, *May* 27, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We are pleased to see from the press dispatches that you discontinue from this date sales of refunding certificates in the large cities.

As it has been semi-officially announced from Washington that the entire amount of these certificates will be sold by the close of this week, we think it would cause public disappointment and have a depressing

effect upon 4 per cent. bonds if the sales should be continued after Saturday. We hope, therefore, that whatever may be the footings at that date you may see your way clear then to announce the completion of sales, remembering that we stand ready to take whatever may be left over, and on terms better for the government than you are now receiving.

The movement of currency involved in the buying of the certificates all over the country for sale in New York is a disturbing element in the money market which we shall all be glad to see removed.

Very respectfully, H. C. FAHNESTOCK,
Vice-President.

No. 1289.

Mr. Hawley to Mr. Clark.

TREASURY DEPARTMENT,
May 28, 1879.

G. L. CLARK, Esq., *Montpelier, Vt.:*

SIR: Your letter of the 23d instant, stating that you have been unable to get any United States refunding certificates from the collector of internal revenue in your town, for the reason that he requires payment therefor in gold or greenbacks, which cannot be obtained from the banks, has been received.

In reply I have to inform you that the collector has no authority to refuse to receive national bank notes in exchange for the certificates, and he has this day been so advised.

By again applying to the collector it is presumed you will have no further difficulty in obtaining the certificates in exchange for national-bank notes.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1290.

Mr. Sherman to First National Bank New York.

TREASURY DEPARTMENT,
May 28, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letters of the 27th instant are received. The refunding certificates will all be received by the Treasurer by Saturday, and the last of them will be distributed by Monday to the amount of $40,000,000.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1291.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, May 29, 1879.

SIR: We have not had an official copy of your order stopping the sale of the 4 per cent. certificates; but as we received none yesterday, we infer that the notice given in the newspapers was correct.

In view of the impossibility of confining the sales to the class of small investors, as was the intention of Congress and the department, it was wise to withdraw the certificates altogether in this and other cities where the tendency to speculation, stimulated by the ease with which money can be borrowed for the purpose, only needs an opportunity to manifest itself. Such an opportunity was afforded the moment a premium was established on the 4 per cent. bonds into which the certificates are convertible, and it is not surprising that every effort has been made to improve it. To be rid of the eager crowd of men and women daily besieging the office is a relief that I was almost tempted to seek by a direct application to the department.

The remittances of money from postmasters in the interior, on account of sales of certificates, have rather increased in amount since my letter of the 21st instant.

Not having been anticipated, we were not prepared for them at the start, and the endeavor to dispose of them the day they arrived, with our limited force, in addition to an unusual amount of other work pressing on the receiving division, has, I regret to say, led to a difference in the cash of that division of $2,500, which, so far, we have been unable to trace. The packages for the most part consist of mixed notes very carelessly put up, and unless they are handled with the greatest care and deliberation there is danger of errors. They are now taken up and counted only as fast as the ordinary business of the division will permit, which is the only course consistent with safety, though it may cause some delay in the issue of the certificates. We have not yet availed ourselves of your permission to increase our force of note-counters, owing to the difficulty of procuring such as are really reliable and competent for the short time they would be needed. As the sale of the certificates must cease altogether in a few days, I should prefer, if at all possible, to get along with the force we have rather than incur the risk of having inexperienced men count and handle money.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1292.

Mr. Sherman to Mr. Tobey.

TREASURY DEPARTMENT, *June* 2, 1879.

E. S. TOBEY, Esq., *United States Depositary, Boston, Mass.:*

SIR: Referring to your letter of the 26th ultimo, in which you request that a larger supply of the United States refunding certificates be sent you for sale, I have to inform you that several hundred public officers have been designated United States depositaries for their sale, and the department has endeavored to furnish each with a proportionate amount.

The department can take no action concerning your request for a larger supply, as the entire amount of certificates authorized by the act of February 26, 1879, to be issued have been disposed of.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1293.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *June* 3, 1879.

SHERMAN, *Washington:*

Baron Rothschild died suddenly this morning.

Party (with bonds) has arrived safely. Price of silver to-day 52*d*.

CONANT.

No. 1294.

Secretary of State to Mr. Sherman.

DEPARTMENT OF STATE,
Washington, June 3, 1879.

To the Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: I have the honor to inclose herewith for your information a copy of a dispatch of the 14th ultimo from the consul-general at Paris in relation to the financial policy of this government which, he remarks, is a source of admiration and wonder to the people of Europe.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

UNITED STATES CONSULATE-GENERAL,
Paris, May 14, 1879.

Hon. FREDERICK W. SEWARD,
Assistant Secretary of State, Washington, D. C.:

SIR: I have the honor to report that in consequence of the rapid withdrawal of United States bonds for refunding, I have for many weeks past had very frequent applications to certify to the signatures of holders and assignors of such securities. It has often happened that much time daily has been devoted solely to this work.

As consular officers are not allowed to exact fees for such services, they are entitled, I think, in lieu thereof, to enjoy and give expression to the satisfaction which every citizen of the United States feels because of the almost unexampled success which is attending the financial schemes of our country. This success has been, and is now, a source of wonder and admiration to the people of Europe, with whom our government has established a reputation for honesty and financial ability second to that of no country in the world.

I am, sir, very respectfully your obedient servant,

LUCIUS FAIRCHILD,
United States Consul-General.

No. 1295.

Messrs. Kuhn, Loeb & Co. to Mr. Sherman.

NEW YORK, *June* 2, 1879.

To the Hon. Secretary of the Treasury, Washington, D. C.:

SIR: Our correspondents throughout the country have been sending 4 per cent. refunding certificates to us to such an extent that we hold at present a very large amount, which we intend to exchange for 4s as

soon as the department will be ready to effect the exchange. We have lodged with the Assistant Treasurer here bonds to cover subscriptions to 4s, made by us through Hanover National Bank of this city, and we beg to inquire whether you would permit us to withdraw a part of such bonds against a surrender of refunding certificates which are to be forwarded to the Treasurer of the United States at once for conversion into 4s, as soon as the Treasurer is prepared to make the exchange.

As we believe that the work involved in the exchange of certificates for bonds by the department will be materially lessened by so early a surrender of certificates, we doubt not that you will readily grant our request.

We beg of you to reply by wire to-morrow, at our expense, and we remain, sir, most respectfully, KUHN, LOEB & CO.

No. 1296.

Mr. Sherman to Messrs. Kuhn, Loeb & Co.

TREASURY DEPARTMENT, *June* 4, 1879.

Messrs. KUHN, LOEB & Co., *New York:*

GENTLEMEN: In reply to your letter of the 2d instant, inquiring whether you can deposit United States refunding certificates with the Assistant Treasurer of the United States at New York in lieu of United States bonds now held by him as security for subscriptions to the 4 per cent. loan of the Hanover National Bank of New York, the certificates so deposited to be forwarded to this department for conversion into 4 per cent. bonds, I have to say that refunding certificates cannot be received by the Assistant Treasurer of the United States at New York as security for 4 per cent. deposits, but in accordance with the inclosed circular they may be forwarded by you to the Treasurer of the United States, who will exchange them for 4 per cent. bonds on and after the 9th instant.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1297.

Circular.—Notice to holders of refunding certificates.

1879.
Department No. 86.
Secretary's Office.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., June 4, 1879.

Notice is hereby given, that on and after June 9, 1879, the ten-dollar refunding certificates will be received at this department for conversion into 4 per cent. bonds, and department circular No. 66 is modified accordingly.

Refunding certificates forwarded for conversion, and 4 per cent. bonds issued therefor, must be transmitted without risk or expense to the government.

Packages should be marked "Refunding Certificates," and addressed to the Treasurer of the United States, and applications should specify the denominations of the bonds desired, also whether coupon or registered, and for the latter, the full name and post-office address of the person in whose name the bonds are to be inscribed should be given.

JOHN SHERMAN, *Secretary.*

No. 1298.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES.
New York, June 4, 1879.

SIR: I have the honor to inclose herewith a statement showing the movement of currency at this office during the month of May, as indicated by the daily increase or diminution of our supply of United States notes, currency certificates outstanding, and balances at the clearing-house. The balance of United States notes each day is the amount after deducting the currency certificates outstanding, and also $8,300,000 held as a special fund. I do not know that any valuable conclusions are to be drawn from the statement, but it may be of some interest as showing the effects of refunding on the money market, and it would seem to warrant the inference that the measure can be carried through to the end without any greater stringency than has occurred up to this time. That there has been no great scarcity of money so far, due to refunding, is evidenced by the fact that the rate of interest on call loans has not been exceptionally high more than once or twice during the past month, and on approved collaterals it is now not more than 2½ or 3 per cent.

It will be seen by the statement that we had on May 1st an available balance of United States notes of $7,287,000, which on May 6th was exhausted.

From that date the tide turned, so that on May 15th we had a balance of over $22,000,000. Since then the fluctuations, though frequent, have been less marked, the result being that at the close of the month our stock was reduced to $15,477,000, showing an excess of payments over receipts for the last two weeks of about $7,000,000. To-day our daily statement indicates a loss of an additional $1,000,000.

The issues and redemptions of currency certificates in May show similar fluctuations, though in narrower limits. When there is a large accumulation of United States notes in the Treasury the certificates are frequently brought in for redemption as the readiest way of overcoming the scarcity of currency outside, and, on the contrary, when the street has more than can be used, the surplus is brought in to exchange for the certificates.

The total amount outstanding May 1 was $19,395,000, and on the 31st, $16,475,000. The reduction, it is fair to infer, would have been considerably greater had there been a lack of legal-tenders on the street for any length of time.

Our transactions at the clearing-house, which furnish another means of following the movement of currency, were unusually heavy during the past month, as will be seen by the daily balances. They show an excess of debit over credit balances of $29,728,157, which sum represents the amount of legal-tenders returned to the circulation through our daily settlements. They show, too, the value of the clearing-house arrangement, as a convenient method of restoring to the banks a portion of the currency drawn from them in the progress of refunding.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

Date.	United States notes.	Clearing-house certificates.	Dr. balance clearing-house.	Cr. balance clearing-house.
May 1	$7,287,000	$19,395,000	$1,436,143	
2	6,609,000	19,915,000	1,108,741	
3	6,040,000	18,295,000	872,096	
5	2,319,000	20,590,000	1,451,999	
6	179,000	21,695,000	2,436,580	
7	3,015,000	21,555,000	118,059	
8	6,581,000	22,155,000	1,370,614	
9	9,733,000	22,815,000	564,897	
10	10,650,000	22,515,000	917,771	
12	10,930,000	23,090,000	1,306,050	
13	12,760,000	23,200,000	1,400,763	
14	18,916,000	20,140,000		$1,062,467
15	22,408,000	17,535,000	2,314,777	
16	22,130,000	17,650,000	231,307	
17	22,139,000	18,485,000	2,731,423	
19	21,154,000	18,160,000	1,349,478	
20	20,928,000	18,095,000	1,485,746	
21	19,218,000	17,915,000	1,322,292	
22	20,000,000	17,715,000	219,167	
23	21,511,000	17,185,000	376,315	
24	22,385,000	16,115,000	496,356	
26	18,028,00	15,765,000	2,702,000	
27	16,236,000	15,705,000	1,517,000	
28	16,485,000	16,705,000	534,284	
29	16,014,000	16,595,000	333,240	
31	15,477,000	16,475,000	2,191,526	
Debit balance			30,788,624	
Credit balance			1,062,467	
			29,726,157	

No. 1299.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, June 6, 1879.

SIR: I have to report the following shipments of gold this week, the first that have occurred since resumption:

June 4th, Von Hoffmann & Co	$250,000
Previous, " "	60,000
June 6th, " "	300,000
" Belmont & Co	150,000
	$760,000

At the present rate of exchange it is difficult to see why gold should be shipped, and the probability is that the object of the shippers is other than that of profit.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1300.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, June 7, 1879.

DEAR MR. SECRETARY: On the 4th instant I sent a cable message to you as follows: "Baron Rothschild died suddenly this morning. Party has arrived safely. Price of silver to-day 52*d.* per oz."

The death of Baron Rothschild, which occured at 6.30 on Tuesday morning, was sudden and unexpected.

I had a very pleasant conversation with him on Friday afternoon, just before he left his office never to return to it, and he then seemed to be in his usual health and in most excellent spirits. On the Wednesday preceding he won the "Derby," and was very much elated over his success. I send herewith a copy of the Times, containing an editorial on his death, and also a biographical sketch of his life. I also send a number of the National Portrait Gallery, which gives an account of the Rothschild family. The eldest son, Sir Nathaniel de Rothschild, Bart., M. P., succeeds his father as the head of the house. He is now 39 years of age.

Your very interesting letter of the 20th ultimo was handed to me by Mr. Barnard, who reached here on Thursday. Owing to the fact that business here has been almost suspended during the current week, and that we are consequently very much pressed to-day, I shall have to delay an answer until Tuesday next.

The price of silver during the week at one time reached 52¾*d.*, but it receded, and can now be quoted at hardly 52*d.* The rise in price has been caused to a great extent by speculation, based, it is said, on rumors that the German Government would discontinue sales; that the product of the mines in the United States had fallen off very heavily, and that the Austrian and Indian demand would, in the future, exceed the supply, &c. The newspapers have commented on the shipment of gold from New York on Wednesday last.

I was very much astounded at a paragraph which appeared in the Statist this morning, in which it was said that "the New York exchange has at last reached a point which allows gold to be shipped to this side. * * * The annual production is large, the effect of resumption has passed off, and we may expect to find gold steadily drifting from that side to this."

The rate of interest has advanced from ½ to ¾ per cent. within the last few days. Cheap money has stimulated all sorts and kinds of enterprises, and aided reckless speculation.

It is stated that 108 new companies have been registered during the past month, with a capital of about seven and one-half millions sterling.

The deposits in the Bank of England have been considerably reduced, which is not regarded as a healthy sign.

I inclose here a clipping from the monetary column of the Times of this morning in regard to the reduction of the debt of the United States, the saving of interest thereon, &c., based on an official statement made by you.

I shall make an answer to this on Thursday next.

Very respectfully, yours. CHAS. F. CONANT.

The Honorable JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1301.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, June 14, 1879.

DEAR MR. SECRETARY: Nothing of importance has occurred in the money or bond market here during the current week. The price of money

has, however, grown a little dearer, owing, principally, to the suspension and failures of several houses at Liverpool, Manchester, London, and elsewhere. The rate in this market and the open market rate in Paris, Brussels, Berlin, Frankfort, and Leipsic is about 1¾ per cent.; a uniformity which is quite remarkable.

The Imperial Bank of Germany has given notice that it will no longer allow interest on deposits made with it. The abundance of money in Paris has led to the creation there of a number of banks and insurance companies. The subscriptions to the stock of one of the latter were so large that but 76 per cent. of the amount of the same could be allotted. One of the proposed new projects is the establishment of a *Banque Hypothecaire de France*, which will be a competitor of the well known Crédit Foncier Company. All indications still point towards the continuance of an abundance of money on this side of the water and at low rates of interest. A rumor was in circulation here in the early part of the week that another shipment of gold was to be made from New York, but I could not find any foundation for it. From the continued high quotations in New York of exchange on London, it seems quite apparent that it is only the cheapness of money here which prevents the shipment of gold from the former place. We are at present owing large amounts for stocks purchased here. I find upon an examination of the board of trade returns for the month of May last, that, as compared with the corresponding month of last year (1878), the imports of *cotton* into Great Britain from the United States fell off 44 per cent., and that the importation of wheat and flour for the same period was, in value, £354,526 less, while the exports to the United States in the article of iron were increased. The offerings of called bonds here just at the present time are in excess of the sales of the 4 per cent. bonds, which, by the way, dropped in price ⅛ per cent. in the early part of the week, owing to operations in the New York market. If, however, money can be loaned in New York at from one to two per cent. higher than it will bring here, the proceeds of these bonds will undoubtedly remain there for a time.

There does not seem to be any evidence of a revival of trade or business either here or on the Continent, owing to bad crops during each of the past four or five years. The question of a reduction in land rents is being considerably agitated. Formerly a short crop yielded as good returns in value to the farmer as a large one, because of the advances which were always made in prices at such times, but now it is claimed that on account of the American supplies that is no longer the case. Some statistics have just been published giving the number of failures of *farmers* in the United Kingdom during the last four years and for 1870. They give, of course, only those failures which have been officially announced, and are as follows: Number failed in 1870, 229; 1875, 354; 1876, 480; 1877, 477; 1878, 815; 1879, from January 1 to June 10, 614.

These figures clearly show the depressed and distressed condition of the agricultural interests of this country. It is not to be wondered at that these people feel that American production is pushing them to the wall.

The recent advance in the price of silver has been the subject of considerable comment. Strong influences seem to have been at work to secure the advance, but from what source they emanated is somewhat of a mystey. Rumors have been spread to the effect that the German Government would not only discontinue sales of silver, but that it was quite probable that it would remonetize it. It has not more than £10,000 sterling in silver which it could dispose of. The question of a new currency of paper for India, to be eventually redeemed in gold, has

been discussed in Parliament, but there is no prospect that any action will be taken at present in regard to it. One argument urged against it was that silver had reached the lowest point in depreciation, and that its value would be enhanced. One thing is very probable, that the partial failure of the silk crop in France and Italy will cause large amounts of silver to be sent to China, but whether it will permanently increase its value remains to be developed. The French Government has a large interest at stake in the matter of the rise of silver, and so has the British Government, on account of India, but it is the general opinion that both will await the action of natural causes for some time to come rather than to take any initiative.

Gold is still accumulating here.

I send with this the usual semi-weekly report of our transactions here.

I remain, with great respect, yours, truly,

CHAS. F. CONANT.

The Honorable JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1302.

Mr. Sherman to Mr. Allison.

TREASURY DEPARTMENT, *June* 14, 1879.

Hon. W. B. ALLISON,
United States Senate:

SIR: I have the honor to acknowledge the receipt of your letter of the 12th instant, inclosing one addressed to you on the 9th instant by the cashier of the Commercial National Bank of Dubuque, Iowa, asking that Western bankers be permitted to forward United States refunding certificates for conversion into four per cent. bonds at government rates, under the contract between the United States and Adams Express Company.

In reply, I have to inform you that while the department would be glad to extend the provisions of the contract to private parties in the manner suggested, it has no authority to do so, for the reason that the contract in question provides only for the transportation of moneys and securities belonging to the United States.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1303.

Circular Letter.

TO INDEPENDENT TREASURY OFFICERS.

TREASURY DEPARTMENT, *June* 17, 1879.

* * * * *

SIR: You are hereby authorized and directed to pay out on public obligations, and on advances to disbursing officers, standard silver dollars the same as other coin or lawful money of the United States, a full supply of such dollars being now in the Treasury.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1304.

Assistant Treasurer, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, June 18, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 17th, authorizing and directing us to pay out on public obligations and advances to disbursing officers standard silver dollars the same as other coin or other lawful money of the United States.

We shall proceed at once to carry out your orders, which we understand to mean that we are hereafter to treat the silver dollar in all payments as the full equivalent of gold or United States notes, and to use them in all payments where it is more convenient or advantageous to do so. I say "all payments," because the term "public obligations" is so comprehensive that it would seem to cover every kind of indebtedness, including the interest on the public debt and balances due the clearing-house. However, as the rules of the association require that all balances shall be paid in United States notes or in clearing-house certificates, we could not use the standard dollars in our settlements there, even if it were convenient and safe to do so; nor is it your intention, I take it, that we should. I can see no other limitation to their applicability in all payments, at the option of the government, and without regard to the convenience or preferences of the public. Indeed this is the only conclusion to be drawn from their quality of full legal tender as established by law, a quality which the department cannot change, but which it must recognize to the fullest extent whenever the accumulation of this kind of money in the Treasury renders it expedient to utilize it. If I err in my interpretation of your orders, or the inferences drawn from them, I will thank you to correct me.

Permit me to add that with large disbursements of the standard dollars, it will save much time and labor if the certificates into which they are convertible were substituted for the coin when preferred. The coin when paid out will, for the most part, be immediately presented for exchange in certificates, a process that will involve a counting and handling of the coin twice. This labor may be avoided in the way suggested.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1305.

Circular.—Notice to holders of called bonds.

1879.
Department No. 99.
Secretary's Office.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., June 19, 1879.

Notice is hereby given that the department will redeem, without rebate of interest, the outstanding five-twenty bonds of the United States, consols of 1867 and consols of 1868, embraced in the 94th, 95th, and 96th calls, maturing July 3 and 4, next. These bonds embrace all the outstanding unmatured six per cent. called bonds.

All United States bonds forwarded for redemption should be addressed to the "Loan Division, Secretary's Office," and all registered bonds should be assigned to "the Secretary of the Treasury for redemption."

Where parties desire checks in payment for registered bonds, drawn to order of any one but the payee, they should assign them to "the Secretary of the Treasury for redemption for account of (*here insert name of person or persons to whose order the check should be made payable.*)"

JOHN SHERMAN, *Secretary.*

No. 1306.

Assistant Treasurer, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES.
New York, June 20, 1879.

SIR: I beg leave to add * * * * * * to what was said in my letter of the 18th relative to the connection of this office with the clearing-house; that it is the chief obstacle to the free use of silver in our payments, and consequently, that it is a formidable impediment in the execution of your orders of the 17th. This arises from the rule of the association requiring all balances to be paid in United States notes, to which, so long as we are a member, we must conform. As more than three-fourths in amount of all checks drawn on this office are presented through that channel, it is plain that the connection not only abridges the facilities of the Treasury in paying out silver, but places it in close relations with a power determinedly opposed to its policy in that direction. With the opposition of the clearing-house committee to the infusion of the standard dollars into the circulation, it can hardly be expected that the existing rule will be changed, and the alternative is therefore presented of either severing the connection or limiting the payments of silver to a comparatively insignificant amount. If the stock is to go on increasing, the time must arrive when the Treasury will have to devise some ways of paying it out as freely as it is received. As a creditor, the government makes no discrimination between silver and other kinds of legal-tender money. As a debtor, it will finally have to compel the public to take it on the same footing of equality. Whether the associated banks are prepared to place themselves in an attitude of hostility to the government in accomplishing its purposes, or whether they could successfully resist it, are questions about which I will not trouble you with any speculations.

I have spoken of the chief obstacle to the rapid disbursement of silver in large amounts, in connection more particularly with the operations of this office.

Will you permit me to refer also to what I think would be the chief danger it would involve, if by the term public obligations, as used in your orders of the 17th, it was intended to include interest on the public debt. I mean its effect on the the price of the 4 per cent. bonds as well as other securities of the United States, and also on refunding. We have as yet used no silver in payment of interest, because, although it is a public obligation, it has not been the policy of the government heretofore to pay in anything but gold; and I should hesitate to take any step in so important a matter without feeling sure that I had correctly interpreted your intentions.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1307.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, June 21, 1879.

DEAR MR. SECRETARY: I note that our excess of exports over imports for the month of April last, as published by the Bureau of Statistics, was $12,171,990, as compared with $23,927,386, in the corresponding month of last year.

The depreciation in the prices realized will account for a portion of the decline, wheat, for instance, being worth six shillings and sixpence per quarter less than it was one year ago, and twenty-two shillings and ninepence less than the price it brought two years ago, while smaller exportations in quantity must account for the rest. It is said that during the month referred to we became debtors to England on balance of bond account, purchase, of all kinds of stocks, to the amount of $20,000,000.

This will leave us as debtors, after deducting the balance of trade in our favor, in very nearly the sum of $8,000,000.

The high rate of exchange has caused a portion of this amount to be loaned out in New York, and a part of it to be left on deposit against cotton bills maturing in October, when exchange will naturally go much lower. In part payment for this balance about $2,000,000 in gold has been received here, and possibly nearly the same in silver.

I should judge that the May account would not find us debtors, neither do I think the present one will, owing to the sale of 4 per cent. bonds here, but it is quite difficult to form a judgment as to the ensuing month.

Called bonds have been withheld on account of the high price of exchange, and I am apprehensive that a great many will be sent to New York in the coming month. Cheap and abundant money here has been a great aid in our refunding operations. Money seems to be flowing here from all directions, and as people have no confidence in improving business prospects, idle capital is rapidly augmenting.

Rates have fallen off this week at least from $\frac{1}{4}$ to $\frac{3}{8}$ per cent. The same condition of money affairs seems to exist almost without an exception through all Europe, and with no prospect of an immediate change. I regret to see the receding price of 4 per cent. bonds in New York, because it will be looked upon as an indication of an overstocked market.

I have mentioned several times, I think, that movements had been set on foot looking to a change of the standard of value in India from silver to gold, but in the action of Parliament this week on Indian matters it can clearly be seen that the idea of such a change must be abandoned for the present, at any rate. The financial condition of India, arising from the famine last year, and from the depreciation in the price of silver extending over several years, has recently attracted unusual attention, and it now seems to be the determination of the government to take a new departure in the treatment of Indian affairs, and to make the attempt to establish, as near as practicable, an equilibrium between the revenues and expenditures. Deficits have been constantly accumulating from year to year, and the reults have now come to be keenly felt, and it has awakened a new interest and is causing the matter to receive serious attention. The estimated deficit for this year is £1,355,000—unusually small, but it is proposed to cancel it by reducing the expenditures on public works (the estimate for those of a non-productive character being about £5,000,000), and this can be done in case no famine shall

occur, and no extraordinary emergency arise, making it necessary for the government to find employment for the people.

It is said that India between the years 1851 and 1875 absorbed two-fifths of the silver of the whole world. Mr. Goschen, in debate on the Indian budget, gave the amount of the silver coined by the German mints prior to the monetary reform as ninety million sterling. Of that amount twenty millions have been received; thirty-two million had been sold up to the end of last year; twenty million are supposed to have been lost, melted down, and exported, leaving eighteen million still in circulation. India has imported as large an amount of silver since Germany began making sales as Germany has sold, while at least from five to six million have during the same period gone to China, Japan, and other portions of the East. As I mentioned in a former letter, Austria-Hungary imported about six and one-half million sterling, in silver, in the eight months ending with March last. Italy is making preparations to coin silver for use in connection with resumption, and France is preparing for the coinage of the new trade-dollar for Cochin-China. It would be very strange, indeed, in view of all the facts, if there should be no further advance in the price of silver.

The statements which have been made in regard to the proposed remonetization of silver by the German Government are not believed to have any foundation in fact.

The imports and exports into France for the five months ending May 30, last, as compared with the corresponding period in 1878, were, viz:

	1879.	1878.
Imports	£73,274,520	£64,890,860
Exports	50,452,440	49,565,000

It seems to me quite apparent that the figures giving the exports do not represent the amount of the same, but that they fall far short, for the reason that the enormous purchases made in Paris (larger, undoubtedly, than in any other place in the world) by visitors there, and which are brought away in trunks and small parcels, as passengers' luggage, are not, of course, included in the official report of exports. If they could be ascertained and added they would swell the figures considerably.

In my letter of April 26 I inclosed a clipping from the Economist in regard to the bullion product of the United States, in which it was stated that the United States Economist said that investigations made by the United States Government concerning the product of the precious metals disclosed the fact that the estimates made both by Wells, Fargo & Co. and by the Director of the Mint were excessive, and requested that you would kindly send me any report that the department may have given publicity to touching the subject, to which I have had no reply. I beg now to renew my request.

With great respect, your obedient servant,

CHAS. F. CONANT.

Memorandum on the bullion product of the United States during the fiscal year 1878.

The London Economist of April 26, last, states, on authority of the United States Economist, that the estimates of the bullion product of the United States made by Wells, Fargo Express Co. and by the Director of the Mint are excessive, and asserts that the Mint estimates have depended largely upon hearsay.

The Economist estimates the production for 1878 at $36,000,000 for gold and $36,000,000 for silver.

The estimates of the Director of the Mint were as follows, viz:

Gold.

Amount of domestic bullion actually deposited at the mints	$48,075,123 76
Amount of bullion exported as per returns of customs	205,319 00
Estimated consumption in arts and manufactures, and held by miners, about	2,000,000 00
	50,280,442 76

Silver.

Amounts deposited and purchased at the mints for coinage	828,795,195 80
Amount of domestic bullion exported as per returns of customs authorities	15,035,045 00
Estimated amount held by miners and bullion dealers and consumed in the arts and manufactures	5,000,000 00
	48,830,240 80

See pages 13, 14, 21, 22, 32, 33, and 34, Report of Director of the Mint for 1878, herewith annexed.

No. 1308.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT, *June* 21, 1879.

GEN. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York, N. Y.:

SIR: Your letter of yesterday is received. It was not the purpose of the order respecting the paying out of silver dollars to interfere in any way with your arrangement with the clearing-house, the faithful observance of which is considered of the highest importance.

The silver dollar can sufficiently be paid out in exchange for fractional coin and in current payments in small sums without deranging ordinary business. I hope to be in New York about the 1st of July, when I will confer with you more fully upon the subject.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1309.

Assistant Treasurer at Baltimore to Mr. Sherman.

OFFICE OF UNITED STATES ASSISTANT TREASURER,
Baltimore, June 25, 1879.

SIR: I trust you will pardon me for troubling you with this explanatory statement. In the short conversation we had on Saturday last you made the statement that 4 per cent. certificates sent to me for disbursement found their way to New York in unbroken packages, and that therefore the bank officer and other parties did not keep their promise as to speculating in them. I am fully satisfied that the bank I disbursed to carried out their assurance to me in good faith, as you will see by a few letters inclosed.

They might have been extended to embrace even bank officers who got any, and the tenor of their replies would have been exactly the same.

As to separate individuals, I am certain I did not distribute, in this way, over $12,000, all told, in sums over $100, and most of this was in sums of less than $1,000. There were only two parties who got over $1,000, and one of these lived in Washington County and the other in Frederick, and I am morally certain that both of these parties have the certificates now. It must be remembered that there was no restriction put upon the amount to be disbursed to any one individual prior to April 28. Up to that time brokers were almost the exclusive purchasers at this office. On Saturday before 28th April, one broker took $50,000 and another $40,000. Of course these packages were unbroken, and were charged as having been disposed of by me. It is possible that these packages may have gone to New York; but of this I know nothing, nor am I to blame. Again, when Mr. Thomas and Mr. Tyler became depositaries, the Treasurer instructed me to supply them both with as many certificates as they might deposit the money for at their face value. This instruction I followed out up to nearly the time the sale was discontinued. I gave Mr. Tyler as high as $50,000 at a time, and Mr. Thomas large sums also. Of course, these packages were marked as having been sent to me, but they were in fact and truth disposed of by Tyler and Thomas. If "unbroken packages" went out from them, I know nothing of it, nor am I to blame for it.

The truth is, after the appointment of Tyler and Thomas, I did not distribute many, as Tyler and Thomas got most of what were sent to me under the Treasurer's order.

You will readily perceive, therefore, that the simple fact that unbroken packages *sent to me* found their way to New York cannot be taken as conclusive evidence that the parties I gave them to speculated in them.

After the order of April 28, I did not disburse one dollar to brokers or speculators, except what they obtained by employing gangs at the cashier's window whilst he was paying out $100 packages. Of these, they got nine-tenths at least, but not in unbroken packages.

In order to set myself right before you, as well as to remove any false impression you may have entertained in regard to the good faith of the bank officers I allowed to have some of the certificates, I deem it right to make the foregoing statement. I rely on your habitual candor and kindness to me to enable you to excuse me in troubling you thus.

Very respectfully, yours, PETER NEGLEY,
United States Assistant Treasurer.

Hon. JOHN SHERMAN,
Secretary United States Treasury.

[Inclosure to letter dated June 25, 1879, from Mr. Negley to Mr. Sherman.]

THE NATIONAL BANK OF BALTIMORE,
June 25, 1879.

To the Hon. PETER NEGLEY,
Assistant Treasurer United States:

DEAR SIR: Your letter of the 24th instant received. As far as this bank is concerned, your statement to Secretary Sherman is perfectly correct.

We purchased the 4 per cent. certificates as an investment. I now hold them as such.

Respectfully yours, &c.,

H. A. THOMPSON, *President.*

[Inclosure to letter dated June 25, 1879, from Mr. Negley to Mr. Sherman.]

THE NATIONAL FARMERS AND PLANTERS' BANK OF BALTIMORE,
Baltimore, June 25, 1879.

PETER NEGLEY, Esq., *Assistant Treasurer:*

DEAR SIR: I will say in reply to yours 24th instant, this bank did not buy 4 per cent. certificates from you or any one else on speculation, and none have gone to New York in unbroken or any other package. The certificates we got from you were taken on the first day, when there was no restriction in their issue, and we have fulfilled all the stipulation we made.

Yours, respectfully, ENOCH PRATT, *President.*

[Inclosure to letter dated June 25, 1879, from Mr. Negley to Mr. Sherman.]

NATIONAL UNION BANK OF MARYLAND,
Baltimore, June 25, 1879.

Hon. PETER NEGLEY, *Assistant Treasurer United States:*

DEAR SIR: In reference to your communication, I have to say that this bank, at my solicitation, received from you at various times $79,000 of the 4 per cent. certificates, $20,000 of which we obtained for the Miles White Beneficial Society, $5,000 for Mr. Francis T. King, and $10,000 for Mr. Elliott, one of the best customers of this bank: and all of which I understood, as I stated to you, were to be used for the reinvestment of United States called bonds.

The remaining $44,000 are still in our vaults, just as received from you, and I am now seeking an opportunity to take them to Washington to have them converted.

I am, &c., very respectfully, yours, WM. W. TAYLOR, *President.*

No. 1310.

Mr. Morgan to Assistant Treasurer, Baltimore, Md.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., June 27, 1879.

UNITED STATES ASSISTANT TREASURER,
Baltimore, Md.:

SIR: I am directed by the Secretary to acknowledge the receipt of your communication of the 25th instant, with inclosures, relative to the manner of disposing of United States refunding certificates, and to inform you that the department is in possession of information that at least $24,000 of the refunding certificates sent you after the issue of department's circular of April 18, 1879, limiting their sale to $100 to one person at one time, were disposed of in the original $1,000 packages in which they were sent from the department.

Very respectfully, WM. B. MORGAN,
Acting Chief Division Public Moneys.

No. 1311.

Assistant Treasurer, Baltimore, Md., to Mr. Morgan.

OFFICE UNITED STATES ASSISTANT TREASURER,
Baltimore, June 28, 1879.

SIR: I am in receipt of your letter of 27th instant, informing me that "Department is in possession of information that at least $24,000

of the refunding certificates sent you after the issue of department's circular of April 18, 1879, limiting their sale to $100 to one person at one time, were disposed in the original $1,000 packages in which they were sent from the department." Of the truth of your statement I have not a particle of doubt. Now, what are the facts in the case? After the reception of circular of April 18, 1879, this office commenced disbursing the certificates in $100 sums to one individual at a time, but, from the first, parties would present $100 for themselves, and they would lay down the name of one or more friends who wanted the same amount. The certificates were given, of course, as I had no right to presume the parties were lying. If a party presented ten names he got an unbroken package of $1,000; if he presented twenty he was paid out two, and so on. The speculators and brokers soon worked this system to their own unlimited advantage, and I went on paying lots of names presented until the 21st of April, 1879, when the cheat and fraud on the circular became so apparent that I wrote to the Secretary of the state of the case, and told him that that day one broker got $50,000, on what I was satisfied was a list of fictitious names. Of course these $50,000 went to the broker in unbroken packages, and they went into his hands rightfully, as the circular then stood and was interpreted. After this the Secretary issued his circular of April 28, the spirit of which began to be immediately violated by the brokers and speculators, who organized bands of rough and idle men and boys who held the window of payment to the exclusion of honest and decent investors, of which I wrote the department a full account at the time, upon inquiry as to how I was disbursing the certificates. After the issuing of the circular of April 28, under an order of the Treasurer I paid to Tyler and Thomas large sums of certificates, sent to me, in unbroken packages. If any of these got to New York, and constitute either the whole or any part of the $24,000, I know nothing about it. "The unbroken packages" I disbursed to the national banks, after the 28th of April, on their assurance that the certificates were designed for their customers, as honest and permanent investments, and what were not thus given out they intended to hold for themselves, never escaped to New York. The banks hold them yet, and I hold myself ready to prove the fact whenever the department chooses to have more light on the subject. I say, further, that not one dollar of the two cases where I disbursed $3,500 each to two gentlemen I spoke of in my last letter has gone to New York.

I think I have fully shown that the fact that $24,000 of certificates in unbroken packages "sent me, found their way to New York," is no ground on which to hang even the shadow of suspicion that I acted other than openly and honestly in the premises.

Very respectfully, PETER NEGLEY.

To W. B. MORGAN, Esq.,
Acting Chief of Division of Public Moneys.

No. 1312.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, July 5, 1879.

DEAR MR. SECRETARY: There is scarcely anything transpiring here just at the present moment in which our securities are involved or in

any way affected which can be considered as possessing any special importance. The only danger to our interests which has been apprehended at any time arose from the high rate of exchange on London, and that rate now seems to be greatly modified. Bankers say that the present quotations are, however, only nominal; that, on account of the high rates which governed for quite a long time, large balances have been allowed to remain in New York to await more favorable terms, and that, should these balances be suddenly called for, the rates would go higher. They complain that it is almost impossible to obtain bills on New York, and they also say that large balances are being carried here for future settlements.

As it seems probable that speculative purchases of stock in this market on American account have, so far as large operations are involved, ceased for the present, it is but reasonable to suppose that the balance of trade in our favor will in due time cancel our foreign indebtedness, and that we need have no fears that our money market will be disturbed by shipments of gold.

It has been rumored here that more large orders have been given by an American railway company for steel rails, but I do not believe it has any foundation, and that it is merely newspaper talk.

The unusually bad weather which has prevailed almost constantly during the past four months throughout the United Kingdom has seriously affected the crops. It is asserted that there have been but five days in the period mentioned during which the weather has been clear and rain has not fallen. The crops in France have suffered to some extent from the same cause, and it has also been mentioned that the same has been the case in Russia, but I have seen a letter in which it was denied that such was the case in Russia. At any rate, the United States will have the opportunity of making up the deficiency.

There has been of late a great deal of agitation in regard to the agricultural depression in the United Kingdom, and on yesterday the subject was discussed at great length in Parliament, and the appointment of a royal commission to investigate the causes of this depression is the result. The newspapers claim that it is notoriously American competition which reduces the price of agricultural products at a time when bad seasons should raise them, and that the distress of the farmer, which is great enough in good seasons, is thus terribly aggravated.

Amongst other measures, the imposition of a tax on foreign grain is talked of as affording the only measure of relief to the farmers. In a country which is the champion of free trade, such talk seems inconsistent; but in this matter it is not the poor workingman alone who suffers or whose interests are jeopardized—it is the landed aristocracy of the realm, who see before them the inevitable necessity of lessening their incomes through a reduction of rents.

The crops of 1875, 1876, 1877, and 1878 were bad, and the agricultural products during these years have decreased more than 25 per cent. in value. Mr. Chaplain, the mover of the resolution for the appointment of a royal commission, in the course of his speech alluded to free trade as affecting the agricultural interests of the country, and said that the predictions of Mr. Cobden and other distinguished men, and the assurances given by them when free trade was carried, had not been fulfilled. They had been proved by experience to be entirely and totally wrong, and that the circumstances of the day were entirely altered from those under which free trade was adopted. He quoted the following from Mr. Cobden:

> We have a principle established now which is eternal in its truth and universal in

its application. It must be applied in all nations and throughout all time. If we are not mistaken in thinking that our free trade principles are true, be assured that these results will follow, and at no very distant time.

Comment, he said, was needless. As to the future effect likely to be produced on agriculture, among the arguments by which free trade was supported and carried in England, Mr. Chaplin said that one of its most distinguished advocates used these words:

No country produced more corn than was necessary for its own wants, and there was nothing in the circumstances of any foreign nation which would make it a formidable rival in agriculture to this country.

Mr. Chaplin, in the course of his remarks, said that the aggregate capital of the whole country was computed at eight thousand five hundred millions of money, of which two thousand seven hundred millions were credited to agriculture—one-third of the whole—and three times as much as any other industry could claim, and that the population dependent directly and indirectly upon it could not be computed at less than ten or twelve millions. Also, that there would be no harvests at all unless it paid to produce them; and whether it would pay or not would depend upon the question how far America would be able in the future to undersell us in food in our own country.

There will undoubtedly be a change made in the game laws—those relating to leases, etc. The question is one of great gravity.

The registrars' returns show an increase of pauperism in England and Wales at the end of April last, as compared with the same period of last year, of six and eight-tenths per cent., the increase being confined to manufacturing districts.

The number of failures announced in the United Kingdom in the first half of the year 1879 up to June 30 has been 8,990, a large increase over the corresponding period of last year. This does not include the number of private liquidations which are kept out of the bankruptcy court, and are not reported, and which have lately very much increased. It is estimated that they are equal in number to one fifth of the cases officially reported, and they often involve large amounts. Most of the failures occurred in manufacturing localities, as for instance Manchester had 107 as against 59 in the corresponding period of last year.

With the exception of prosperity in France, the condition of affairs on this side of the Atlantic is not an encouraging one.

The accumulation of bullion and specie is perhaps a good test of the stagnation of business and trade. For instance the total amount of bullion and specie held by the following-named four banks, viz: Bank of England, Bank of France, Bank of Belgium, and the Bank of Germany, on the 27th of December last was £138,570,000, and on the 26th of June it was £155,583,000, an increase of £17,013,000. The accumulation in the Bank of England constitutes the principal portion of the increase, yet accumulations have extended all over the Continent. On the 3d instant the last-named bank held in its vaults £35,286,269 in bullion, as compared with £22,603,217, at the same time last year. On the 26th ultimo the proportion of its reserve to liabilities was 57¾ per cent. and the proportion of coin to circulation about 119 per cent.

The subscriptions made here to new issues of stocks during the month of June were about £775,000—an unusually small sum—while the actual money payments upon these during that time, and on account of previous subscriptions, aggregated £2,373,750.

The revenue accounts of Great Britain for the first quarter of the year (ending June 30) show a falling off in customs of £300,000, and in excise of £326,000; together, £625,000. There has, however, been some

increase in other items. The income tax, which was increased from 3*d.* in the pound to 5*d.*, has yielded £631,000 over the receipts of the corresponding time in the last year.

The Zulu war will undoubtedly cost much more than was anticipated at the time the budget was submitted, and therefore it is predicted that there will be a deficit in this year's accounts to be added to those of former years.

The advocates of a double standard seem determined to keep up the agitation of the question of its adoption. I observed a statement in one of the New York papers to the effect that Mr. Ewing, I think it was, said in course of an interview that it was well known that Prince Bismarck favored the remonetization of silver in Germany. It is not believed here that there is the slightest foundation for any such assertion, or that there is any possibility that the German government will change its policy in this respect, the adoption of which has already cost it £4,625,000 through sales of silver. There is no doubt but that it has discontinued its sales of silver. The price has advanced during the week, and is now 52*d.* per ounce. Purchases for the Austrian government have caused the increase. It is believed that that government is taking advantage of the low price to provide itself with a silver currency, the value of which may appreciate. No silver has been sent to India in the last fortnight until within a few days, and then only a small amount.

The value of money has fallen during the week to seven-eighths per cent. for three months' bank bills. It is a singular fact that some of the London bankers predict that there will be a tight money market in New York in the early autumn, but they cannot give any sound reasons for their predictions.

I have delivered to Messrs. J. S. Morgan & Co. fourteen of the fifteen millions of 4 per cent. bonds which they were to receive on account of subscription of the First National Bank of New York. The remaining million they will probably take on Tuesday next. There is considerable work yet to be done in making schedules of the bonds and coupons received in payment for the bonds delivered. The labor employed and time occupied in handling a coupon is as great as that required in manipulating a bond. We shall conclude our business as soon as practicable, and to facilitate matters I have retained Mr. Barnard and employed him in the office.

I inclose a clipping from the Times of a telegram from Paris in regard to the resolution offered in the Senate of the United States respecting the interoceanic canal through the Isthmus of Panama.

Yours, very respectfully, CHAS. F. CONANT.

The Honorable JOHN SHERMAN,
Secretary of the Treasury.

No. 1313.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *July* 8, 1879.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York, N. Y.:

SIR: Referring to your daily statement of United States 4 per cent.

bonds undelivered, and of United States called bonds held by you as collateral security for bonds delivered to various banks, I have to say it is desirable that all the called bonds, whether 5-20s or 10-40s, now held by you as above, be forwarded to this department as early as practicable for examination and redemption in due course.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1314.

Assistant Treasurer United States, New York, to Mr. Sherman.

NEW YORK, *July* 9, 1879.

SIR: I have received your letter of the 8th instant relative to the prompt transfer to the department of called bonds for redemption. So far as this office is concerned we are prepared and desire to carry out your wishes in the matter, but depositors frequently object, for no good reason that I can think of, except that they wish to keep the bonds in their control as long as anything can be made by holding on to them. If the department will instruct us to send on all called bonds, say a week or more before the maturity of the calls in which they are included, and without regard to the wishes of the depositors, it will enable us to make the transfers as the convenience of the department may require.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer, United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1315.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, July 9, 1879.

SIR: Some time since I took the liberty of corresponding with the department relative to a practice resorted to by banks and bankers keeping deposits of United States bonds as collateral with us, of having them transmitted through this office to the department for returns in bonds of higher numbers in order to avoid expected calls. I now beg leave to call your attention to another practice which I think equally objectionable, namely, that of making this office the medium for sending on called bonds for redemption and returns in money. As an instance, we are now preparing for transmission to the department at the request of Drexel, Morgan & Co. ten or twelve millions of bonds all included in calls maturing on or before the 21st instant, the proceeds for which when received here may remain as a part of their collaterals or be withdrawn on the substitution of something else as they may choose.

The preparing and scheduling the bonds involves just as much time and labor as in the case of final transfers, without resulting in any reduction of our collaterals. It is, therefore, a labor imposed on this office for the real or supposed advantage of keeping control of the called bonds or their proceeds to the last moment, rather than for the purpose of hastening the settlement, which happens only when called bonds held

as collateral are finally transferred to the department and applied in payment for subscriptions.

Whilst the interest and obligation of the department to aid this last object by every means in its power is apparent it is not so clear that it can fairly be required to take upon itself an equal amount of labor merely to facilitate preliminary operations out of which the department does not derive a particle of benefit.

I respectfully recommend, therefore, that when banks or bankers having called bonds on deposit here, desire to have them sent to the department for returns in money and not to be applied in settlement, they be required to make the transfer themselves.

This rule will not prohibit the practice, but it will throw the labor attending it where it properly belongs—that is, on those for whose convenience or profit it is permitted. In other words, it will limit the functions of this office with respect to these collaterals to their custody and exchange, and to the final transfer to the department of such portions of them as may be included in the calls as they mature. I think this was all that was originally contemplated in the arrangement.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1316.

Memorandum for the press, July 10, 1879.

The Secretary of the Treasury requests holders of 10-40 called bonds to forward them to the department as soon as possible.

It will be physically impossible to redeem promptly on the 18th and 21st instant the very large amounts then falling due unless the bonds are received at an early day. If sent forward at once they will be remitted for at maturity.

No. 1317.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *July* 10, 1879.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York, N. Y.:

SIR: Referring to your letter of the 9th instant concerning the forwarding of called bonds for which returns are made to you for account of the depositary banks, said proceeds being in some cases withdrawn by the banks upon the substitution therefor of other United States bonds, and asking that in all cases where such action is contemplated the banks be required to withdraw the bonds from your custody, and to make the transfer themselves, I have to say that, in view of the fact that all called bonds will soon be due, and the department being anxious to deal with the redemption of the bonds as expeditiously as possible, it is not deemed advisable to issue instructions that may result in delaying the receipt of the bonds at the department.

Should a case arise, however, in which you consider such action called

for, you are authorized to withhold your consent to the forwarding of the bonds.

In reference to the request contained in my letter of the 8th instant, viz, that all called 5-20 and 10-40 bonds in your custody, as collateral, be forwarded to the department for examination and redemption, I have again to state that all bonds of that character which are to be finally passed to the credit of the subscription accounts of the banks should be forwarded to this department without delay.

Of course you will be careful to inform yourself before shipment of the bonds that such disposition of the proceeds is desired by the banks.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1318.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *July* 12, 1879.

SHERMAN, *Washington:*

I have delivered J. S. Morgan &. Co. twenty-one thousand 4 per cent. coupon bonds in addition to fifteen million on account of First National Bank New York. Is this correct? CONANT.

No. 1319.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London E. C., England, July 12, 1879.

DEAR MR. SECRETARY: There has been during this week a feeling of uneasiness in financial circles, and it has extended to nearly all classes engaged in trade and manufactures.

The probability of bad European harvests is the principal cause of this, but the bad season has affected business interests in many other ways. The spring and summer trades have suffered, railway traffic has been diminished, and a combination of circumstances has brought a general distrust and want of confidence. The advance in the price of wheat 6 per cent., with the prospect that it will go still higher, rather aggravates the case, because it indicates the shipment of a larger amount of bonds or gold. On Monday last the French exchange advanced, and it has since continued very firm, owing to the apprehension that there would be a demand for gold for shipment to the Unitad States in payment for grain which will be required to supply the deficit in the harvests of that country. In this connection, I cannot help calling attention to the sensitiveness of European money markets (even in circumstances like the present, when there is a superabundance of money) to any anticipated cause of disturbance.

On Sunday last, at the suggestion of the Archbishop of Canterbury, prayers were offered in many of the churches for "fair weather." It has continued, nevertheless, to rain during the week as usual, but there is a prospect of improvement.

The trade returns for six months ending June 30 last show that the import values were £172,642,000, a decrease of £17,000,000 compared with last year; and that the export values were £88,826,000, a decrease of £5,834,000 on the corresponding period; that there has been a reduction of about 9 per cent. in the import values, and more than 6 per cent. in the export values. The enormous falling off in the price of grain, nearly 50 per cent. as compared with 1877, accounts in a great measure for the decrease in the imports. It appears by the returns that in the period mentioned the exports to the United States in a few articles, viz., cotton manufactures, pig-iron, railroad-iron, tin plates, cast or wrought iron, old iron, linen manufactures, jute manufactures, silk, tin unwrought, and wool, increased to the amount of £400,000.

The imports into Great Britain during the first half of the past five years of merchandise have been as follows: 1875, £12,957,716; 1876, £10,134,361; 1877, £7,086,198; 1878, £7,331,640; 1879, £8,795,970; and the exports, 1875, £7,661,456; 1876, £4,079,191; 1877, £10,835,475; 1878, £9,127,444; 1879, £4,523,331.

It is announced from Paris that the formal grant of the right of making a ship-canal across the Isthmus of Panama was made this week by the Government of Colombia to the company now being formed by M. de Lesseps, and that subscriptions for the share capital will be opened after the 15th instant in Paris, London, New York, and other large cities. It is claimed that large financial houses have already offered to take large amounts of the stock. The Government of Colombia, it is understood, is to give the company, 1,250,000 acres of land. People here do not seem to understand why our government should in any way object to the construction of the proposed canal. I inclose some clippings from newspapers referring to the object.

A Canadian loan of £3,000,000 is to be brought forward by the Messrs. Baring and others. The rate of interest is to be 4 per cent., and the minimum issue price 95. Of the amount, £2,000,000 is to be devoted to paying off a 6 per cent. loan, and the balance to pay for a railway company and to the Welland Canal. When this loan was first spoken of some of the newspapers here intimated that, in view of the unfriendly tariff recently adopted by the Dominion, the people of Canada should be told to apply elsewhere for a loan.

The demand for silver during the current week has been unusually light, and the price has not been well maintained.

I had the honor to send you a message to-day as follows: "I have delivered J. S. Morgan & Co. $21,000 funded loan coupon bonds, in addition to $15,000,000, on account of the First National Bank." These bonds were sent me in the last shipment, and were in excess of the amount required. The bank telegraphed me to deliver them. I sent the message to prevent an overissue, as the bank should receive that amount less from the department. We shall forward bonds and coupons as rapidly as practicable.

It is to be regretted that there were not as many 4 per cent. bonds sold here as there were 6 per cent. and 5 per cent. bonds held, but in view now of the fact that the indebtedness will soon be in our favor on account of shipments of grain, perhaps it will make no material difference.

With great respect, I am, yours, truly,

CHAS. F. CONANT.

The honorable JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1320.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, July 12, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 10th instant, in reply to mine of the 9th instant, calling your attention to the practice of transferring called bonds to the department for returns instead of for application on the subscriptions to the 4 per cents. The distinction between the two objects, and the division of labor it suggests, seem fair, but in view of the objection you mention, it might not after all be good policy to make any radical changes in the manner of conducting the business at this time. We have now on hand less than $8,000,000 of called 5-20 and 10-40 bonds, which we shall forward to the department as soon as we can learn the intentions of depositors as to the disposition to be made of them.

The amount and classification of all bonds deposited here at the close of business on the 11th instant is shown in the following analysis of our report for that day:

4 per cent. bonds not delivered	$29,632,650
Called 5-20s and 10-40s	8,187,600
Other United States bonds	36,463,600
Total	74,283,850

The amount of the called bonds as here stated has been considerably reduced by the shipments of to-day.

Very respectfully, THOS. HILLHOUSE.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1321.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *July* 12, 1879.

CONANT, *London:*

Delivery of twenty-one thousand is correct. SHERMAN.

No. 1322.

First Comptroller of the Treasury to Mr. Sherman.

TREASURY DEPARTMENT,
FIRST COMPTROLLER'S OFFICE, *July* 12, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: The National Bank of the State of New York has presented for redemption certain called coupon bonds, which are part of the $48,000 of coupon bonds alleged by the trustees of the Manhattan Savings' Institution, New York, to have been stolen from that institution, when its

vaults were violated by burglars in October, 1878. The bonds in question were most of them stolen before the call matured, but after it had been published. The persons from whom the bank professes to derive its title claim to have purchased the bonds in good faith, for value, in the usual course of business, and to have therefore a perfect title to them. The Manhattan Savings' Institution, on the other hand, claims that the bonds having been bought by the persons from whom the National Bank professes to derive its title after the call has been made and notified to the world, the bank obtained no better title by the purchase than the burglars had, namely, no title at all.

The legal question is not free from doubt, and is a grave one, as all the coupon bonds stolen from said institution have, it is probable, been negotiated by the burglars to persons claiming to be *bona fide* holders.

Under the circumstances I have the honor to recommend that the Attorney-General be requested to exhibit in the proper court of the United States a bill of interpleader, making said National Bank and the Trustees of the Manhattan Savings' Institution defendants, in order that the conflicting claims of the parties may be determined, and the law settled in its application to other cases. It is probable that the defendants will waive the service of process, in order to hasten a decision.

Very respectfully, A. G. PORTER, *Comptroller.*

No. 1323.

Mr. French to the Attorney-General.

TREASURY DEPARTMENT, *July* 16, 1879.

Hon. CHARLES DEVENS,
Attorney-General of the United States:

SIR: I have the honor to inclose herewith a copy of a letter of the 12th instant from the First Comptroller of the Treasury, in regard to the title to certain coupon bonds of the United States presented to the Treasury Department for redemption. The bonds were presented by the National Bank of the State of New York, but are claimed by the Manhattan Savings' Institution of New York, on the ground that most of them were stolen from its vaults and bought by parties from whom the National Bank of the State of New York derives title after a call had been made for their redemption.

The First Comptroller recommends that the case be submitted to the proper court to determine the conflicting claims of the parties and to settle the law in its application to other cases. I have the honor, therefore, to ask that the question be considered by you and such action taken as may be deemed necessary in the interest of the government.

Very respectfully, H. F. FRENCH,
Acting Secretary.

No. 1324.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, July* 17, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Referring to your conversation of to-day, we have to request

that you will instruct Mr. Conant to receive against 4 per cent. bonds any United States coupons maturing within sixty days of date of delivery to him.

The purpose of this request is to facilitate the settlements, now that the called bonds have all matured and the amount in the London market is necessarily small.

Very respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1325.

Mr. French to First National Bank of New York.

TREASURY DEPARTMENT, *July* 19, 1879.

CASHIER FIRST NATIONAL BANK, *New York:*

SIR: Referring to the shipment of $10,000,000 4 per cent. United State coupon bonds to London, as requested in your letter of the 17th instant, I have to say that the July coupons have been detached from the bonds, and that remittance will be made therefor to your bank upon receipt at this office of the customary advice of delivery of the bonds.

Very respectfully, H. F. FRENCH, *Acting Secretary.*

No. 1326.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, July 19, 1879.

DEAR MR. SECRETARY: I was informed on Thursday last by Messrs. J. S. Morgan & Co. that they had made arrangements for another shipment of bonds on account of the subscription made by the First National Bank of New York on the 17th of April last, and on yesterday I received a cable message from that bank stating that you would forward $10,000,000 to-day to be delivered to Messrs. Morgan & Co.

In the absence of any information to the contrary I take it for granted that the bonds are sent because there is a better market for them here at the present time than at home, but at the same time it has occurred to me that the sending of them may have been done at your suggestior for the purpose of placing stock here against that held here and called in, and of thus furnishing a medium which can, when required, be used in paying for the grain which the United States will later on have to supply, thereby preventing, to a certain extent, disturbances in the money market.

The produce which we can find a market for here cannot be paid for in gold, and more grain will be purchased from us if it can be paid for in something besides coin. Our cheap railway transportation, and the greatly reduced ocean freights, give us great advantages over other countries in sending grain to this country, but the problem in the future is, How is payment to be made to us? It is already claimed here that we are making much larger purchases in England than heretofore. Representatives of the Russian railways are trying to make negotiations with the Prussian, Austrian, and other railway companies for reduced

goods' tariff for long distances from the Baltic ports, in order to afford better facilities for the export of corn and rye; but it is not believed that they can succeed.

Just as long as Europe continues to be one great military camp, just so long will it be prevented from having good railway facilities for freight traffic.

It is believed that Germany will purchase the railways in her territory, and the French railways revert to the government after a certain number of years.

Quite a revelation was made in the House of Lords on Thursday in regard to what was termed "preferential rates" allowed by railways in favor of American produce carried from Liverpool and other ports to London. It is alleged that the charge for conveying American meat from Liverpool to London is 25*s.* per ton in quantities not less than 10 tons, and that for the conveyance of English meat 50*s.* is charged. American corn is sent from London over the lines of railway at one-third less charge than English corn. This is a matter which seriously affects the English farmer, and, through him, the pockets of the land-owners. It is claimed that the railway companies are breaking the law; that they must not contract to carry one thousand tons of freight at any less rate per ton than they would transport five tons. A railway commission, about to expire by limitation, will be continued for the purpose of making the necessary examination into the matter. "Protection" must in some form be afforded to the English agriculturist. Germany has, in her new tariff, imposed a duty on imported grain.

The report of the value of the foreign trade of France during the first six months of the current year, and of 1878, has just been published, and is as follows:

	6 mos. 1879.	6 mos. 1878.
Imports	£89,298,720	£77e878,920
Exports	61,219,760	60,555,720

The excess of imports over exports of £28,000,000 is due to the increase in the food imports. A still larger increase will undoubtedly be shown in the ensuing six months by reason of the bad crops.

France has agreed to the provision adopted by the recent convention of the Latin Union, giving Italy further time for the withdrawal of her silver coins from other countries. Financial matters are absorbing legislative attention in France, and the question of reduction of taxation is a prominent one. It is claimed that the policy of the country should now be one of reductions, that the war-taxes, so called, should be removed, but that at the rate at which they have been remitted so far, they would not be entirely relinquished until 1902. The *new* taxes which had been imposed at the close of the war amounted to 750,000,000 francs. In 1877 reductions were made, 7,448,000 francs being taken off through a lessening of the salt tax and the abolition of stamp duties in certain cases. In 1878 the changes in the telegraph and postal services, and the abolition of the tax on soap, further reduced taxation 48,256,000 francs. In 1879 only 26,339,000 francs were taken off, viz, certain stamp duties, duty on post-office money-orders, &c. The reductions in the three years amount to 82,043,000 francs. The minister of finance proposes a reduction next year of 24,000,000 francs, by a diminution in the amount of trade licenses. There has been an increase every year in the revenue from permanent sources, and, during the last five years, the treasury has received 200,000,000 francs from these sources in excess of the estimates.

The Ex-Khedive of Egypt is to receive an annual allowance of £50,000;

his two sons £20,000, and his mother £30,000. The new Khedive was offered £150,000, but would only accept £50,000 per annum.

With great respect, I remain, your obedient servant,

CHAS. F. CONANT.

The honorable JOHN SHERMAN,
Secretary of the Treasury.

No. 1327.

Mr. French to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *July* 21, 1879.

CONANT, *London:*

Sweetman's party with bonds sailed on steamer Baltic 19th.

You are authorized to receive from J. S. Morgan & Co., in payment of four per cent. bonds, coupons maturing within sixty days.

FRENCH.

No. 1328.

Mr. Hawley to Mr. Conant.

TREASURY DEPARTMENT, *July* 26, 1879.

Hon. CHARLES F. CONANT,
In charge of the Agency for Refunding the National Debt,
London, England:

SIR: Referring to the letter addressed to you on the 21st April last, in which you were notified to decline to receive certain United States 5-20 bonds, the numbers of which were specified, said bonds having been stolen from the Manhattan Savings Institution of New York, I have to inform you that the following described bonds embraced in the notice given you have been received from you on account of 4 per cent. consols delivered to Messrs. J. S. Morgan & Co. under the contract of January 21, 1879, viz:

Received with your letter of June 21, 1879, No. 165120, $1,000 (marked No. 428); No. 165167, $1,000 (marked No. 428).

Received with your letter of June 24, 1879, No. 152410, $1,000 (marked No. 412); No. 152411, $1,000 (marked No. 412); No. 89707, $500 (marked No. 415); No. 89728, $500 (marked No. 415); No. 169044, $1,000 (marked No. 415).

Payment of the above bonds (amounting to $6,000) will be withheld, awaiting the decision of the court as to their ownership.

Very respectfully,

JOHN B. HAWLEY,
Acting Secretary.

No. 1329.

First National Bank New York to Mr. Sherman.

[Telegram.]

NEW YORK, *July* 30, 1879.

Hon. JOHN SHERMAN, *Secretary Treasury, Washington, D. C.:*

Please request Conant by cable to deliver Morgan, fours against temporary deposit of other United States bonds, to be afterwards replaced with called bonds and coupons. This in conformity with custom under previous contracts, to which reference is made in your letter of May third to us and ours of second to you.

H. C. FAHNESTOCK, *V. P.*

No. 1330.

First National Bank New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, July* 30, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We beg to confirm our telegraphic dispatch to you under this date as follows:

"Please request Conant by cable to deliver Morgan 4s against temporary deposits of other United States bonds, to be afterwards replaced with called bonds and coupons. This in conformity with custom under previous contracts, to which reference is made in your letter of May 3d to us and ours of 2d to you." We make this request to facilitate the settlements of our London friends, who are not always able to immediately cover their deliveries of 4 per cent. bonds with coupons and called bonds.

It has been usual in previous negotiations to receive in London (as here) any United States bonds as temporary collateral, afterwards replacing them with coupons and called bonds; and we therefore make reference to the paragraph in your letter of 3d May, in which you say that "the general course of business adopted in the delivery of bonds in London under previous contracts will be observed as to such bonds.'

Very respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1331.

Mr. Hawley to Mr. Sherman.

[Telegram.]

TREASURY DEPARTMENT, *July* 31, 1879.

Hon. JOHN SHERMAN,
Care of Collector of Customs, Portland, Maine:

I am in receipt of a telegram from H. C. Fahnestock, in which he says,

"Please request Conant by cable to deliver Morgan fours against temporary deposit of other United States bonds, to be afterwards replaced with called bonds and coupons. This in conformity with custom under previous contracts, to which reference is made in your letter of May third to us and ours of second to you." I wish instructions from you; I am afraid it will delay settlement.

JOHN B. HAWLEY, *Acting Secretary.*

No. 1332.

Treasurer United States to Mr. Sherman.

[Telegram.]

WASHINGTON, D. C., *July* 31, 1879.

Hon. JOHN SHERMAN, *Secretary Treasury,*
Care of Collector of Customs, Portland, Maine:

I hope you will not receive uncalled bonds as collateral for fours in London; it will delay the settlement of loan accounts, which is vital.

JAS. GILFILLAN, *Treasurer United States.*

No. 1333.

Mr. Hawley to First National Bank New York.

TREASURY DEPARTMENT, *July* 31, 1879.

H. C. FAHNESTOCK,
Vice-President First National Bank New York, N. Y.:

SIR: I have to acknowledge the receipt of your telegram and letter of the 30th instant, requesting the department to instruct Mr. Conant to receive in London, as temporary collateral for bonds delivered against your subscription of April 17th last, "other United States bonds, to be afterward replaced with called bonds and coupons," and to advise you that I have communicated with the Secretary relative thereto, and will probably receive an answer giving his views this evening or to-morrow morning.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

No. 1334.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, August 4, 1879.

SIR: Will you permit me to suggest that a fair and equitable plan to follow in the settlements with the banks here on account of their subscriptions to the 4 per cent. bonds would be, first, to divide the balances due from them, respectively, into two parts, the first representing what each owes on account of subscriptions for which 5-20s were called, and the second representing subscriptions for which 10-40s were called?

Second. To draw on these balances from time to time, commencing with the first on the basis of an uniform percentage sufficient to meet the requirements of the Treasury. It was an adjustment something like this that I had in my mind in our conversation to-day, but I may not have made it plain. Perhaps such a plan could not be adopted, but if there are no obstacles in the way it would require the banks to pay in exact proportion to what they owe, and the balances due on the old subscriptions would be called in first. This would leave no room for complaint, either that the amounts drawn for were unequal as between the banks or that the last subscriptions were drawn for before the first had been exhausted.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1335.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, August* 9, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: Since Mr. Baker's visit to Washington on Tuesday, the Treasury drafts upon the banks have continued to be very large, and when added to the previous withdrawals of currency, they have caused great uneasiness in the money market. The bank averages for the week show a loss of $7,219,000 legals, and the payments at the close of the week will cause a further important loss in next week's averages. The surplus reserves of the banks is now down to $6,752,000. Money is loaning this afternoon at 7 per cent., and, as you have seen, United States bonds have suffered a decline of ⅜ per cent. from the opening of the week. We paid in on Wednesday, $3,000,000, and on Friday, $5,000,000, and we now have a further call from Treasurer Gilfillan for $2,500,000, which in due course we must pay in on Monday. While not asking for any indulgence on our own account, we submit that for the general good, the money market should have an interval of rest to recover from the disturbance occasioned by these heavy withdrawals and that no payments should be required from any banks for a week (if possible), and thereafter only moderate accounts should be called on any one day, so that it will not be necessary to disturb so many loans at one time. The total payments of currency into the sub-treasury here since August 1, we understand, exceed $30,000,000. If you think favorably of this suggestion, please telegraph Bank of Commerce and ourselves as early as convenient on Monday, suspending payment of the requisitions until further advice, so that the calling in of a corresponding amount of loans may be avoided.

Respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1336.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 9, 1879.

DEAR MR. SECRETARY: The weather during the last few days has

been again unfavorable for the crops, and the hopes of an improvement which were entertained a week ago are now almost entirely gone. This, taken in connection with the failures which have recently occurred, and the unsoundness which it is thought exists in Manchester and elsewhere, and also with the depressed condition of manufacture, trade, and agriculture, casts a gloom over all financial affairs.

The rates for money on call are as low as ever, but there seems to be a disposition to advance them for six months' paper. This, it is believed, arises from anticipations of disturbances in the money market. It is only those most conservative, however, who think that disturbances will take place, and they predicate their belief on the expected export of gold to New York. This, they say, will make money tight in the autumn, and the rates of interest very high. Already $250,000 in eagles have been withdrawn (during the current week) from the bank for shipment to New York.

The price of wheat has increased considerably, and should it go still higher, the export of cereals from the United States during the current year cannot fall much short of $200,000,000. The question of how this amount is to be paid for is a serious one, and one which is receiving a great amount of consideration. France will require a large amount, but she is exporting largely to the United States, and it is reported that quite recently she has been sending a large quantity of jewelry there. The greater portion of our bonds remaining here are held as permanent investments, and they are principally of the 5 per cent. funded loan. The holders in most instances will not part with them until the time of their maturity arrives. There are probably about eighty millions of 4 per cent. and 4½ per cent. bonds in the market here. Payment for our crops cannot, therefore, be made as formerly in our own bonds. With shipments of gold to any great extent the rates of interest will increase, and should they go very high, it is quite probable and altogether likely that a large amount of our railway stocks and private indebtedness will be returned home. I hear arguments almost every day to the effect that the present prosperity of the United States will naturally advance wages, and that when advanced they will increase the cost of production of our manufactures so greatly as to remove all competition with the manufactures of this country.

The clearance-house business of the first week in this month, taking the stock exchange settlement into account, shows a loss of business as compared with last year of eight millions.

The trade returns for the month of July show a decrease of nearly 16 per cent. in the value of the imports, and an increase of nearly 1 per cent. in the exports, as compared with the corresponding period of last year. The decrease in the price of grain and provisions accounts for a portion of the falling off in the imports. These statistics are very unreliable. The imports are entered at their gross value on arrival. In this value is included, of course, the cost of freightage, which, as the vessels in which the goods are brought are nearly all British, simply represents an earning of British capital and labor. In this respect the figures are excessive. Besides, the exports, especially those to countries having a heavy tariff, are undervalued. Thus the balance of trade is not correctly shown, being always overstated.

The excess of the imports of gold into the United Kingdom between the years 1858 and 1878, a period of twenty-one years, over the exports of the same is shown to have been £87,010,369. Prior to 1858 no record was kept.

The Paris correspondent of the Times states that of the 800,000 shares

of M. de Lesseps's Panama canal scheme offered to the public, only 160,000 had been subscribed up to Thursday night.

The proposed consideration of the subject of bi-metalism between Germany and the United States has increased the price of silver ⅛d.

Very truly, yours, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 1337.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *August* 11, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 9th inst. is received, and has been considered by the Treasurer, who advises me that under the arrangement made during the visit of Mr. Baker he is now drawing on your bank every other day for $2,500,000, and on the National Bank of Commerce for $1,250,000, which is only slightly in excess of the current demand to meet called bonds, and is certainly not sufficient to disturb in any way the money market. It is my desire to make these settlements as easy as possible, but I do not see, upon the statements of the Treasurer, how I can interfere with his judgment as to the sum necessary to meet the requirements of the department.

The Bank of Commerce, I understand, is well satisfied with the nature and extent of the demands upon them.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1338.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, August* 11, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of 8th instant, informing us that a coupon bond for $1,000, received from London for redemption on account of this bank, is said to have been stolen, and will be held by the department until the right of ownership shall have been established.

We beg to state in reply that we have no record of the numbers of any bonds received in payment for four per cents, delivered for our account in London, and we therefore request that you will immediately return to Mr. Conant any bonds which cannot be placed to our credit, instructing him to deliver to the persons from whom he received them, taking in exchange therefor corresponding amounts of unobjectionable bonds.

In no other way can we procure the substitution; and the bonds should be returned at once, so that recourse upon previous holders may not be lost.

Respectfully, GEO. F. BAKER, *President.*

No. 1339.

First National Bank New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *August* 12, 1879.

Hon. JOHN SHERMAN,
Secretary Treasury, Washington:

You are quite right as to propositions, but we did not understand drawings were to be so rapid and large. We respectfully urge that it is a grave mistake to draw faster than absolutely necessary. So doing will further seriously derange money market. Without any corresponding advantage fours selling freely this morning at one and three-eighths with pressure to sell all issues because of disturbance of loans. We renew our earnest recommendation that you give the money market at least a week's rest. We will thank you to reply early.

G. F. BAKER,
President First National Bank.

No. 1340.

Mr. Sherman to Treasurer, United States.

TREASURY DEPARTMENT, *August* 13, 1879.

Hon. JAMES GILFILLAN,
Treasurer United States:

SIR: With a view to closing as soon as practicable the accounts of the department with depositary banks, on loan account, without unnecessary disturbance of the money market on the withdrawal of legal tenders from current business, you will please receive from such depositaries in payment called bonds, to be credited when passed through the loan division. You will require from such depositaries sufficient money, in addition to the called bonds credited, to meet all demands for the payment of called bonds, and so as to insure the withdrawal of all deposits on loan account on or before the 1st of October next. The letter of the department of March 26th is modified accordingly.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1341.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, August 14, 1879.

SIR: The operations of this office in the settlements on account of subscriptions to the 4 per cent. bonds are best indicated by the great reduction in the amount of our collaterals, which foot up to-day at the close of business less than $16,000,000. On July 12 we held $74,000,000, and on July 1, $103,000,000. The highest point was reached in May, when the amount was $175,000,000.

One of the most noticeable circumstances connected with refunding is the slight influence it has heretofore had on the price of money. The rates have been so exceptionally low as to make it extremely difficult for the banks and bankers to employ their means to advantage.

This week the rates have been advanced, and to-day, on call loans, they are from four to five per cent. on governments, and six to seven on other collaterals. The price of United States 4 per cents has also fallen one per cent. or over. This, of course, means an increasing demand for legal-tenders on a dimishing supply.

No doubt the present condition of the money market is to be ascribed in part to the accumulation of legal-tenders in the Treasury, but if, as it is fair to presume, the disbursements in the immediate future are to be proportionally heavy, the stringency, so far as it has been caused by the operations connected with refunding, should be removed. Whether, as has been suggested, it would be judicious to postpone the payments due from the depository banks for a short time, the Secretary can best decide.

I will only venture to remark that, the settlements once concluded, a more active demand for money, and higher rates than have prevailed of late, might not after all be an unmitigated evil. A plethora of money and low interest encourages unhealthy speculation as much as it does legitimate enterprises, and it is the opinion of many that a more active market and higher rates than prevailed in June and July would be beneficial.

The payments at this office on account of subscriptions to the 4 per cents since August 1 have amounted to $35,000,000, and our available legal tender balance, at the close of business yesterday, was $26,000,000. This amount may have been reduced $1,000,000 by the operations of to-day.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1342.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *August* 15, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York, N. Y.:

SIR: In reply to your letter of the 14th instant, requesting that a daily report be furnished you of the amounts of called bonds received at the department for redemption other than those that may be forwarded by your bank, which report would reach you in advance of the Treasurer's notification of the actual redemption by his office, you are advised that a compliance with your request is not practicable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1343.

Mr. Sherman to Manufacturers' National Bank, Boston.

TREASURY DEPARTMENT, *August* 15, 1879.

CASHIER MANUFACTURERS' NATIONAL BANK, *Boston, Mass.:*

SIR: Your letter of the 12th instant, stating that your subscriptions

to the 4 per cent. loan, made after the first of January last, were $855,000, and that a further subscription of $150,000 was made by your bank on April 4, and declined by the department, and requesting that, in consideration of the circumstances, commissions be paid your bank at the rate (¼ of 1 per cent.) to which it would have been entitled had its subscriptions equaled $1,000,000, has been received. In reply thereto I am compelled to say that, in justice to the department and to other banks whose subscriptions were in a condition similar to your own, and who received only the commission specified in the circular of January 1, 1879, I cannot accede to your request.

The department did not decline your subscription of April 4 for the purpose of depriving you of part of your commission, but solely because it had no more bonds to sell under the circular of January 1, 1879, all the 5-20s having been covered.

As public notice was given under date of March 4, 1879, that 4 per cent. bonds would be sold against the 10-40s upon less favorable terms to purchasers than those then existing under the circular of January 1, it would appear that the failure of your bank to subscribe in time for $1,000,000 was not chargeable to this department. Circular of March 4, a copy of which was mailed your bank upon the date of issue, is herewith inclosed.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1344.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *August* 15, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of yesterday is received and contents noted. Arrangements have already been made with the depositary banks which, I trust, will relieve the unnatural stringency of the money market. It is desirable that our refunding operations should be absolutely neutral in either advancing or reducing the supply of legal tenders in the market. It has, therefore, been decided that hereafter payments will only be required as needed to meet called bonds, and that called bonds will be received and credited, so as to make the exchange direct. It is thought advisable, however, that these accounts be closed on the 1st of October.

There must be at the end a considerable sum of called bonds not presented, and I do not feel at liberty to leave this money on deposit longer than October 1. I hope that the amount will be comparatively small.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1345.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *August* 15, 1879.

Hon. CHARLES F. CONANT, *London, England:*

SIR: In reply to your cable of the 13th instant, inquiring whether ac

crued interest on called bonds forwarded by you on account of 4 per cent. consols delivered would be applied in the settlement of the subscription account under the contract of January 21, 1879, in lieu of $6,000 bonds transmitted by you June 24, payment for which has been withheld awaiting a decision as to their ownership, I cabled you as follows: "Accrued interest will be issued in settlement of account." Since writing you on the 26th ultimo the following additional coupon bonds (all of which are embraced in the list of stolen bonds transmitted to you with my letter of April 21 last), have been received from you, viz:

Received with your remittance of July 26—

No. 261292	$1,000

Received with your remittance of August 2—

No. 93043, 93170, 94577, and 90319, four 500s	2,000
No. 161662, 184791, 194439, and 194742, four 1,000s	4,000
Total (consols 1865)	7,000

In reply to a cable received to-day, I have cabled you to the effect that Barnard may remain on duty in your office should you desire his services.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1346.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 16, 1879.

DEAR MR. SECRETARY: I received in due time the letter addressed to me by the department under date of the 26th ultimo, informing me that the payment of certain bonds (numbers given), amounting to $6,000, which had been received by me from Messrs. J. S. Morgan & Co., and which were forwarded to the department June 21 and 24, would be withheld awaiting the decision of the court as to their ownership. This letter I immediately handed to Messrs. J. S. Morgan & Co., who said verbally that as you had the matter in your own hands and the power, they supposed that if you chose to deduct the amount from the accrued interest due them you would do so.

The information conveyed to me in the letter above referred to greatly surprised me, as you will observe from the statement which I submit in regard to the matter, and which I will preface by an explanation respecting the manner in which we receive "*cover*," as it is technically termed, for the deliveries we make of 4 per cent. consols. In making deliveries of bonds we have never attempted to do more at the time of making such delivery than to ascertain that we had received an equal amount, leaving the examination of the same as to calls, &c., to be made when it could be done without interrupting current work; otherwise, we should not have been able to have met the requirements of the syndicate or to have expedited business. The called bonds, coupons, &c., when received against a delivery, were locked up in our safes, and were examined, arranged, scheduled, &c., for transmission to Washington, when reached in due course of business. This course, it seems to me,

has been a proper one in view of the fact that it has been a condition and understanding that all receipts here were subject to count, verification, acceptance, and final settlement at the department at Washington, and it has been the unvarying practice. The force we have here to conduct the business has been exceedingly small as compared with that formerly employed, while the volume of business has been quite as large, and, besides, we have been put to great disadvantages, owing to not being located on the premises of the parties with whom our business relations have been conducted. We had to commence business with a new management of the syndicate long before we had concluded that with the old one. I have been placed in quite a delicate position in regard to the location of our office. The uncertainty of the continuation of business from, say, the first six weeks after our arrival here prevented my making such arrangements as I should otherwise have made for the conduct of our business.

Now, in regard to the bonds in question: On the 20th of June, the day before the $2,000 in bonds were sent, the receiving clerk, in his examination of the bonds to be forwarded to the department, called my attention to the fact that he had discovered two one thousand dollar bonds of the numbers mentioned in your letter of April 21, which you advised me that you should decline to receive. I at once called upon Messrs. J. S. Morgan & Co. and handed them your letter and the bonds, and said to them that under your instructions I could not accept the bonds. We had quite a discussion over the matter, they assuming that they had a right to make payment in any United States called bonds; that they had bought these bonds in good faith; that they had paid full value for them and a premium in addition; that under the laws of England there could be no question of ownership; that they could make no reclamation; that the United States had promised to redeem them and pay their face value to the "bearer," &c., &c.

Knowing that the government was amply secured in the payment for the four per cent. consols delivered to them, through a large balance due them on accrued interest on bonds which I had sent forward (estimating the same at from one hundred to one hundred and fifty thousand dollars), and, besides, having in my own possession at the time more than $7,000 in coupons in excess of payments due from them—that is, of the amount of deliveries made to them—I consented to send the $2,000 forward to be subject to the decision or action of the department as to the payment being allowed for them, or, rather, as to their being accepted in payment for bonds delivered.

Until informed by your letter of July 26 of the receipt from me of $6,000 of these bonds, I had no knowledge or information that we had received any of them beyond the $2,000 referred to. No mention had been made to me of the discovery of any further sum than the $2,000, and no report of any additional amount had been made to me. I asked the receiving clerk for an explanation of the matter, and he said that he had discovered the additional amounts, and that he had sent them forward because he thought that they were to be sent in the same manner as the $2,000 had been, and that it did not occur to him to report the fact to me or to make any mention of it whatever. If my attention had been directed to the additional sum, I should not have allowed it to have been sent to the department. A copy of the dispatch which I sent to you and of the one which I received from you is appended hereto.

I do not know what your opinion of the claim of the Manhattan Bank may be, but I think that a decision in its favor would be very prejudicial to the interests of the government. It would throw discredit upon

our coupon bonds in this market, and I believe it would open the door to a perpetration of systematic frauds; to organized robberies. I am told by good authority that a decision in favor of the bank would inevitably stop dealings in our coupon bonds in this market; it would be contrary to law and the established usage here. Under existing law, a bank in the United Kingdom cannot be held responsible for the payment of a forged check or draft.

I have the honor to be your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

AUGUST 12.

To the Secretary of the Treasury:

I have received your letter of July 26. Will not accrued interest due J. S. Morgan & Co. on called bonds on account of $10,000,000, contract of January 21, 1879, be applied in settlement of account instead of the six thousand? Seven thousand more have been sent through mistake.

[Dispatch from Secretary of the Treasury August 14.]

I have your cable of 13th. Accrued interest will be used in settlement of account.

No. 1347.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, August 16, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 15th instant, confirming your instructions to the Treasurer of March 26, as to the course to be pursued in the settlements connected with refunding. There has been no doubt entertained here at any time that it would be such as to interfere with the supply of legal-tenders as little as possible, nor has this belief been changed by the condition of the market this week.

The sharp demand for money that occurred on the 13th, and the consequent advance in the rates of interest, may have been caused in part by the accumulations of the Treasury; but this alone would not in all probability have created any disturbance had it not been for the turn in the tide of speculation at the stock board and other disturbing influences occurring at the same time. I judge so from the fact that our currency balance was nearly as large on the 8th as it was on the 13th; but there were no signs of any difficulty at the former date, and the rates on call loans, which are a test of the state of the money market, had not been materially advanced. To-day everything is moving along more smoothly, and although the rates of interest have not fallen to the point at which they stood last week, they are not more unsettled than is usual after so marked a fall in the price of all kinds of securities as has just occurred, and the distrust it brings with it.

It may be some time before confidence is fully restored; and, meanwhile, it will not be strange if, with the shipments of currency to the interior for the movement of the crops, the market here should be less amply supplied than earlier in the season. In view of such a probability,

your announcement that the course of the Treasury will be such as not to affect the operation of natural causes in the movement of currency, will be received not only with gratification, but with the full confidence it deserves.

The clearing-house statement to-day shows a decrease in legal-tenders for the week of $6,461,000, and in the reserve of $5,343,000.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1348.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, NEW YORK, *August* 16, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of 15th, informing us that certain bonds received from London for our account are claimed to be the property of the Manhattan Savings Bank.

As we have no record whatever of bonds transmitted by Mr. Conant, we have to request that you will immediately return to him the bonds in question, instructing him to deliver them to the parties from whom he received them in exchange for corresponding amounts of other called bonds or coupons. This should be done without delay, in order that recourse upon previous holders shall not be lost.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1349.

Mr. Hawley to Mr. Conant.

TREASURY DEPARTMENT, *August* 19, 1879.

Hon. CHARLES F. CONANT,
United States Agent, &c., London, England:

SIR: As requested by the First National Bank of New York, I herewith return to you coupon bonds Nos. 90319, 93043, 93170, and 94577, for $500 each; 161662, 184791, 194439, 194742, and 201292, for $1,000 each, act of March 3, 1865, consols 1865, received with your letters of the 26th ultimo and the 2d instant, on account of the above-named bank, in order that the said bonds may be returned at once to the parties from whom you received them, taking in exchange therefor corresponding amounts of available United States securities, to be placed, when received at the department, to the credit of the said bank.

The above-described bonds—the same alluded to in department's letter to you on the 15th instant—are said to have been stolen from the Manhattan Savings Institution, New York, and the right of ownership has not been determined.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1350.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, August 23, 1879.

DEAR MR. SECRETARY: I inclose herewith a clipping from the Times of the 21st instant of a dispatch from the Philadelphia correspondent of that journal, mentioning statements made by you in conversation in regard to American finances. The apprehension which existed here some time ago that there would necessarily be large shipments of gold from this side of the Atlantic, which would disturb the money markets, have been very much allayed. The fact that there will inevitably be a large balance due still remains; but the feeling is gradually gaining ground that it can and will in some way be adjusted without causing any serious difficulties. The stock of bullion here and on the continent has been constantly accumulating, until it has now reached an aggregate far beyond any legitimate business requirements. A large sum can be spared without trenching upon the amount actually necessary for business purposes.

It seems to me that an addition to the volume of money now in the United States would be more prejudicial to its interests than the withdrawal of the same would be to the interests of this country. The great speculation in stocks at home, which prosperity has developed, has created a demand for them, and large amounts of worthless stocks, which have been accumulating during the past seven years in this market will find their way back to the States to be dealt in at some price.

Our purchases abroad are, according to reports, increasing, and it is but natural that it should be so. Mention was made yesterday of an order given to a firm in Sheffield for 25,000 tons of steel rails for railways in the States, another order for 15,000 tons to a manufacturer at Barrow, &c. Nearly all of the English newspapers are now filled with reports of and comments upon the wonderful and marvellous return of business prosperity in the United States, and they see in it the approaching dawn of prosperity for this country. Because America was once the best customer of England, it may not perhaps seem strange that English people should indulge the hope and expectation that a revival of trade in America will ultimately bring prosperity to them, and especially when it is pointed out to them in the newspapers that there is evidence to be found in the board of trade returns of June and July that such will be the case, the returns for those two months showing an increase in exports of merchandise to the United States, as compared with the previous year, at the rate of three millions sterling per annum. They do not seem to take into account the development of manufactures in the States and the changed condition of things; neither can we determine to what extent our people may prefer to take English manufactures rather than money in exchange for their products. The feeling which exist here at the present time, and to which I have referred, have certainly lessened the fears which prevailed some time ago respecting the expected efflux of gold to New York. The amount which we annually pay for English service in the matter of freights and of passenger service, and in the way of brokerage and commissions on all our foreign transactions, is far in excess of any estimate, I think, which would be likely to be placed upon it, and, as a matter of

course, it reduces the balance of trade in our favor much below what it appears to be on paper.

Three hundred thousand dollars in gold eagles were yesterday withdrawn from the bank for shipment to New York. It is said that during the last three weeks 20 million of francs (about 4 million dollars) have been shipped from various French ports for the United States in payment for produce. The fall during the past few days in the price of the 4 per cent. bonds created no little surprise. It has been attributed to various causes—to the market in New York being overloaded and to a stringency in the money market there, to a belief that too large an amount had been bought for speculative purposes, and to the hostility of certain parties who were not allowed to participate in the operations of the syndicate. Messrs. Morgan & Co. carefully guarded the market here. They discontinued sales and purchased all bonds that were offered at low rates. Legal-tender notes and national-bank notes are equivalent in price in this market to the price of called bonds, the principal or face value, and to bills of exchange on New York. It is quite impossible to form any correct idea of the amount of both kinds of currency in the hands of brokers and money exchanges in this city, or how it all came here. Taking the price of exchange into consideration, and the value of the legal-tender is equivalent to the sovereign. The proposed interoceanic canal scheme of M. de Lesseps may be said to have fallen through, the required number of shares not having been subscribed for. American hostility to the scheme has defeated it thus far, but M. de Lesseps proposes to go to New York at once and to remove the obstacles in the way of his success. He is now between 70 and 80 years of age.

The proposed action on the part of Germany and the United States looking to the remonetization of silver is not looked upon here with favor, except in so far as it may benefit English interest in India.

Very respectfully yours, CHAS. F. CONANT.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1351.

Mr. Hawley to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *August* 29, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: I inclose herewith a voucher in duplicate, to be signed by the several subscribers to the contract of January 21, 1879, for commissions on $11,400,000 of the 4 per cent. bonds negotiated under said contract by your firm and its associates—amount $29,900. In reply to your telegram of this day, in which you claimed a commission on the $3,600,000 bonds which were delivered in London to other parties, I sent you a dispatch referring you to the fifth clause of the contract, wherein it is provided that no commission shall be paid the contracting parties on that sum.

Very respectfully, JOHN B. HAWLEY,
Acting Secretary.

One-fourth of one per cent. on $11,400,000	$28,500
One-tenth of one per cent. on $1,400,000	1,400
	29,900

No. 1352.

Messrs. Belmont & Co. to Mr. Hawley.

NEW YORK, *August* 29, 1879.

Hon. JOHN B. HAWLEY,
Acting Secretary of the Treasury, Washington, D. C.:

DEAR SIR: We telegraphed to you yesterday with reference to the commission on the contract of the 21st of January last, which is still due to the syndicate, and received this morning your reply, giving the amount of the commission at $29,900, and saying that a voucher for the same would be forwarded. According to the contract the commission should, however, amount to $33,500, and we so telegraphed to you, receiving your reply referring us to the fifth clause of the contract. We beg now to say in explanation of our telegram, claiming a different amount of commission, that according to the fifth clause the syndicate is not entitled to any commission on $3,600,000 bonds delivered to other parties out of the first ten millions sent to London, but the clause also states that these $3,600,000 "*shall be considered as a part of the first subscription made under this contract.*" The subscriptions, consequently, amount in all to fifteen millions, and according to the third clause the syndicate is entitled to one-fourth per cent. on all bonds taken under the contract, and to one-tenth per cent. additional on all beyond the first subscription of ten millions, viz:

One-fourth per cent. on $11,400,000	$28,500
One-tenth per cent. on $5,000,000, excess over first ten millions	5,000
	33,500

This was the construction placed upon the conditions of the contract at the time of its negotiation, and we trust, upon again looking into the matter, you will agree with us.

Awaiting your reply, we remain, very respectfully, yours,

Per pro AUGUST BELMONT & CO.,
W. LUTTGEN.
W. BEUTER.

No. 1353.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHINS LANE.
London, E. C. England, August 30, 1879.

DEAR MR. SECRETARY: The condition of money affairs in New York has, as was to be expected, considerably affected the market here. Quite large amounts of gold have been shipped, and the steamers leaving to-day, it is reported, take out £400,000 in eagles and bars. Many people argue that it is the high rate of interest (7 per cent. or more) and the stringency of the market that is now causing gold to be sent to New York, and not the balance of trade. This line of argument is based on the old theory, which long prevailed, that a two or three per cent. higher rate in Paris would attract gold to that point, and that in turn a still higher rate in Berlin and Frankfort would cause the same gold to be removed to those places. I hear also that some of the gold,

now on its way, has been borrowed by the banks for the purpose of using it as a basis of new circulation, and for reserves.

In view of the fact that the shipment of cereals from America to Europe during this month and the ensuing one, it is estimated, will reach ten, and perhaps twelve, millions sterling, I think it is very plain that the gold which has gone out was sent for the purpose of liquidating the balance of indebtedness. It is very probable that these shipments have been hastened by the situation of matters in New York. Rates have advanced fully one-half of one per cent. within the last few days, and the prospect is that the situation will be taken advantage of to advance them higher. There is absolutely no demand for money here; otherwise we should quickly see the rates following up the New York prices.

The efflux of gold has not, so far, caused any excitement—no alarm nor apprehensions as to the future. The financial newspapers have singularly enough conceived the idea that you can relieve the stringency in money in New York by loaning it to the banks, and they make use of that theory to quiet the fears of people in regard to any panic that may possibly arise in New York. I have thought that it was not best, perhaps, to say anything about the matter just at present.

Various estimates have been made of the probable amount of gold that will be required to settle the grain and other accounts. I noticed in an editorial in one of the Chicago papers that it was thought by the writer that at least one hundred million dollars in gold would be received in America. From all the information I can gather, I put the amount that will be sent at less than ten millions sterling. Speculations in New York some time ago led to large purchases here of railway and other securities which have not all been paid for, and besides, in addition to government bonds which will, to a certain extent, be returned home instead of gold, there is a large amount of American floating indebtedness held here which prosperity at home will recall. In the course of conversation with a banker yesterday he informed me that he knew of contracts which had been entered into for 200,000 tons of iron for the United States. Freights from Glasgow have advanced from three shillings to twelve shillings and sixpence. I cannot forget in this connection that the Treasury will be considerably benefited through additional revenues.

The Bank of England has taken advantage of the demand for eagles to advance their price. The position of the bank is strong, its proportion of reserves being 58¾ per cent. The drain of gold from the Bank of France for shipment to your side of the water has made a more serious inroad upon the stock held by that institution than has been the case in the withdrawals from the Bank of England. The increasing stock of silver in the Bank of France and the decreasing stock of gold is becoming a matter of serious difficulty.

The following table will show the changes that have taken place in the stocks of these two metals during the past five years:

Years.	Gold.	Silver.	Total.
1874	£40,484,000	£12,528,000	£53,612,000
1875	46,972,000	20,200,000	67,172,000
1876	61,216,000	25,544,000	86,760,000
1877	47,084,000	34,616,000	81,700,000
1878	39,344,000	42,324,000	81,668,000

In 1856 the bank held but £4,000,000 in silver.

The stock of silver in France seems to be accumulating, and the country is overburdened with it. It is very doubtful whether France

has derived much benefit from her connection with the Latin Union. She has been made the receptacle of the coinage of the little states about her, and especially of that of Italy—who pays the interest upon her debt, which is largely held in France, in silver. The "banking bill" which was finally passed in the closing hours of Parliament, providing for the *limited liability* of shareholders, is a compromise measure.

The proposition to secure the *note issues* by deposits of approved securities was lost, and the attempt to prescribe a form of balance sheet ended in a failure. The noteholders under the new law are made preferred creditors, and are first to be paid from the assets of a bank which may go into liquidation. The shareholders, in such a case, will be called upon to contribute toward the debts of the general creditors a sum equal to the amount received by the noteholders out of the general assets of the company. The provisions of the law really guarantee the circulation—conditioned, of course, upon the solvency and responsibility of the shareholders.

The circulation of the United Kingdom on July 5 was as follows, viz:

Bank of England	£28,992,270
Private banks	1,809,250
Joint-stock banks	1,691,249
Scotland	5,683,895
Ireland	5,697,376
Total	43,874,040

The amount of coin held by the Bank of England at that date was £34,550,707, and by the banks of issue in Scotland and Ireland, £6,887,900. The issues of the joint-stock banks and the private banks in England it will be seen aggregated the of sum £3,500,499, and for that sum the public has had no security whatever. The sixteen joint-stock banks of Scotland and Ireland had at the same time a note circulation of £11,381,271, and against it coin on hand amounting to £6,887,900. In a recent publication it is stated that since the act of 1844 came into operation there have failed or stopped payment in England and Wales 36 private banks, with an aggregate issue of £671,373, and 5 joint-stock banks, with an aggregate issue of £143,560, making a total in 35 years of £814,933. Of the amount issued by the joint-stock banks, full payment was eventually obtained, but a great amount of inconvenience arose from delay. A singular instance of the unsoundness of the practice of allowing the issue of notes by private companies was developed recently in the failure of Swann, Clough & Co., private bankers at York. It appears that the firm had been insolvent for more than forty years, and that at the time of their failure they held the privilege of a note issue of £50,000, and had about £200,000 in deposits. I have still a belief that a system similar to ours will yet be adopted and applied to banks of issue here.

The weather still continues extremely unfavorable for the crops. Some interesting agricultural statistics are given in a letter printed a few days ago in the Times, showing the loss which farmers will be subjected to through the bad harvests of the present season, which I will try and reproduce, as nearly as possible, in a brief summary.

The acreage of the main crops is set down as follows: Wheat (including corn), 3,048,000; barley, 2,931,000; oats, 3,987,000; potatoes, 1,384,000.

These show quite a decrease in acreage in wheat and oats and an increase in barley.

The writer estimates that the corn and wheat crop will fall fully one-third below the average, and that the deficiency in the amount will be equivalent to a money loss of £25,000,000, and that the partial failure of the yield of beans and rye will cause a further loss of £3,000,000, the acreage being 780,000. The loss by the blight which has come upon the potato crop is estimated at £15,000,000. The hay and grass crop has suffered through floods and unfavorable hay-making weather, according to the estimate, to the extent of quite £15,000,000. The hay crop (68,000 acres) is almost a total failure, the writer says, and that the direct loss will amount to about £1,250,000 sterling. The aggregate of these losses foot up £59,250,000, which sum I think is rather under than over the real amount.

A report has just been presented to the exchange in Vienna on the condition of the crops in Austria and Hungary, which shows that there will be a deficiency of at least 9,250,000 hectoliters in wheat, 7,250,000 hectoliters in rye, and 5,000,000 hectoliters in barley; while on the other hand there will be an increase above the average of 2,500,000 hectoliters in oats. The deficiency must of course be partly supplied by importations. Italy will be compelled to import cereals this season. These short crops will lead, as a matter of course, to the practice of economy, and it is not to be presumed that an amount equal to the deficiency will be imported either into the United Kingdom, France, Germany, or Austria; the smallest quantity possible will be made to suffice.

Through inquiries made in Paris by the budget committee it has been discovered that a large number of the officials have had the right of sending telegrams *free*, and that the number sent by them reached on an average as many as 33,000 each month, with an average of 20,000 words per day. It is to be made a subject of legislative action.

In a paper recently read before the British Association on the savings of the people, &c., it was claimed that the earnings of the laboring classes, including laborers and artisans, amounted in the year 1878 to the amount of £422,000,000, and that the difference in wages to the workingmen in the United Kingdom between bad and good times was £50,000,000 in a year. The savings of these people, as shown by the deposits in the savings banks, may be summarized as follows:

Deposits in trustee savings banks in 1870 £37,958,000, in post-office savings banks £15,099,000; making a total of £52,982,000. Deposits in trustee savings banks in 1878 £44,293,000, in post-office savings banks £30,412,000; making a total of £74,705,000. The deposits in 1878 were therefore increased in the period of eight years by the sum of £21,700,000; but it is claimed that £14,000,000 of that amount represents accrued interest (which I do not believe to be a correct assumption); but if it be the case, the actual increase resulting from savings would be reduced to £7,500,000.

The minister of commerce of France has just published a report in regard to the situation of the savings banks in that country, from which it appears that the number of depositors in 1870, before the war, was 2,130,000; in 1872 it was 2,016,000; in 1875, 2,642,000; in 1877, 2,683,000, and in 1878 over 3,000,000. The deposits in 1870 were 711,000,000 francs, and in 1878 they had reached the sum of 1,010,000,000 francs.

I remain, with great respect, yours, very truly,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1354.

Mr. Sherman to the First Comptroller of the Treasury.

TREASURY DEPARTMENT, *September* 1, 1879.

Hon. A. G. PORTER, *First Comptroller of the Treasury:*

SIR: I inclose herewith a letter from Messrs. August Belmont & Co., of New York, dated August 29, 1879, in which they claim that under the contract entered into with them and their associates, on the 21st of January last, for the sale of 4 per cent. bonds in London, they should be paid a commission of one-tenth of one per cent. on $3,600,000 4 per cent. bonds, which were delivered in London to the agents of the First National Bank of New York, an institution which was not associated with them under said contract.

As the full commission has been paid to the First National Bank of New York, on the $3,600,000 bonds, I have to request that you will examine the contract of January 21, 1879, made with Messrs. August Belmont & Co. and their associates, and give your opinion as to the validity of their claim.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1355.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *September* 1, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Referring to your letter of the 29th ultimo, in which you lay claim to $\frac{1}{10}$ per cent. commission on $3,600,000 United States 4 per cent. bonds, which were delivered in London to certain parties not associated with your firm in the negotiation of said bonds, I have to say that the subject has been referred to the proper accounting officer.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1356.

Messrs. Morgan & Co. to Mr. Sherman.

22 OLD BROAD STREET, LONDON, E. C., *September* 1, 1879.

DEAR MR. SHERMAN: We handed to Mr. Conant, in settlement of United States 4 per cents, various drawn bonds of 1875, amounting in all to $13,000, of which, much to our surprise, payment has been withheld by the Treasury Department, pending the decision of a suit brought by the Manhattan Savings Institution as to the ownership of the bonds. We would submit that this course is in entire contradiction to the practice of the department hitherto, and in violation of the agreement upon the face of the bonds to pay them to bearer. The government has hitherto always paid its bearer obligations, as every other State, company, or individual does, to any innocent holders who had paid full value for them. This we have done for all these bonds, having purchased them in the regular way of business in the market, and even

paying a small premium for them, to avoid the transmission of gold to settle our accounts with the Treasury, in America. They had no fixed maturity; they were arbitrarily drawn by the government for payment at the present time; they carried no notice on their face that they were not payable in accordance with their tenor, and the only penalty for not presenting them was the cessation of interest. The analogy drawn from the equities attaching to an overdue note, as carrying notice, on the face, of non-payment, has consequently no bearing upon the case. These bonds are scattered all over Europe, and the notice that they are due frequently does not reach the holder for months and sometimes years. We buy them in the regular course of our business, nor could we do otherwise.

If the government were to decide not to pay bonds to bearer of which the ownership is disputed, except after decision of courts, they would do what neither they nor any other government has ever done before; it would prevent dealing in their securities, be a distinct injury to their negotiability, and a loss to the public credit.

We request, therefore, that you will revise the present decision of the department and order these bonds to be paid to us. If the Manhattan Savings Bank fancy they have any claim to the bonds, they are free to commence legal proceedings against us, for the establishment of their rights, and if decided in their favor, they run no risk of not collecting from our firm, but, surely, it is not necessary for them to call into requisition the United States Government to collect their claim to the injury of innocent holders. The above reasons will explain why we have declined to receive back from Mr. Conant $7,000 of the bonds tendered us to day, besides which, these particular bonds have been perforated and canceled by the department, their negotiability has been destroyed, and we cannot recover upon them from those from whom we bought, in consequence of their mutilated state.

They are not in the condition in which we delivered them.

We are sure you will not consider that there was any want of courtesy to your department in this refusal; it was simply done to protect our position, which, in this case, involves the interest of other firms connected with us in the refunding operations.

We have ventured to address you privately in this matter, as we desire to bring the subject before you, in an unofficial form, feeling sure that the decision of the department in this instance has been taken without your knowledge.

We remain, yours truly, J. S. MORGAN & CO.

No. 1357.

Mr. Sherman to assistant treasurer United States, San Francisco.

[Telegram.]

TREASURY DEPARTMENT, *September* 3, 1879.

UNITED STATES ASSISTANT TREASURER, *San Francisco, Cal.:*

Until further advised, pay out gold and silver coin freely on public obligations, and discontinue transfers of gold to New York.

JOHN SHERMAN, *Secretary.*

No. 1358.

Assistant treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER, U. S.,
New York, September 4, 1879.

SIR: Although the business of this office for the past month has presented nothing of special importance, a brief reference to our transactions may nevertheless be of some interest. In refunding, since my previous report, our collateral, including 4 per cent. bonds not delivered, has been reduced from over $50,000,000 to less than $10,000,000; leaving only two open accounts—that of the First National and Bank of Commerce—and these must soon be closed by the daily payments of the banks on their subscriptions. It will be a great work, not only successfully carried out, but carried out with so little sensible effect on the money market, that at no time have the rates for money been such as to indicate any very severe stringency, whilst, as the general rule, they have been exceptionally low.

In the redemption of subsidiary silver we have received about $2,500,000, and we have now on hand say $300,000 not counted. The indications are that there will soon be a demand for it for circulation, and now that the large lots that had accumulated in the hands of dealers have been disposed of, we shall probably pay it out as fast as we take it in. The work of counting and examining the small denominations is very tedious, and the time consumed so much greater than would be required to handle equal amounts in gold, that we have not, as yet, been able to dispense with any part of the temporary force employed when the redemption commenced.

The free issue of the standard silver dollar has been controlled by the same causes that have operated from the time they first began to accumulate in our vaults. I refer to the rule of the clearing-house requiring all balances to be paid in United States notes, to which must be added the continued reluctance of the public to take the dollars, even in limited sums. We use them in place of notes in making up odd amounts, and in the redemption of subsidiary silver. We also pay them out in salaries, to the extent of 10 per cent.; but with such limited disbursements, it is plain that if their coinage goes on at the same rate as heretofore, they must accumulate in our vaults. This tendency to gravitate towards the Treasury is very much strengthened by the privilege of converting the coin into certificates. Practically, there can no large amount of it be kept out whilst it can be thus converted, and whilst the natural place for it in the circulation is occupied by one and two dollar notes.

There has been an active demand for United States notes of small denominations, and we could have paid out a large amount of them in exchange for others of large denomination, if our supply had permitted. We exchange freely with the banks so far as we are able, but without undertaking to be prepared at all times to do so. This, I infer from the recent circular of the Treasurer (No. 133), is all the department expects of us.

There has been no change in the movement of gold. It still continues to accumulate in our vaults, whilst the amount of certificates outstanding remains nearly stationary. There is really no demand for gold, and as it is less convenient than notes to handle, not only the annual production but the imports (which are likely to be very large this fall) will naturally take the same direction. This accumulation in the stock of coin in the Treasury, in view of the fact that the customs duties are now

largely paid in United States notes and silver certificates, is conclusive evidence of a general belief in the equality of these notes, and in the permanency of resumption. It will soon be necessary to use a portion of our silver vault for the storage of gold, a contingency hardly anticipated a year ago.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1359.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *September* 5, 1879.

GEORGE F. BAKER, Esq.,
President First National Bank, New York:

SIR: I have to advise you that it will be necessary to close your account in London during the current month, and the bonds in the possession of Mr. Conant paid for.

Instructions will be given to Mr. Conant to close his accounts prior to October 1, and to return to Washington.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1360.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *September* 5, 1879.

CHARLES F. CONANT, *London, England:*

SIR: The refunding operations in the United States will be closed on or before the 1st of October next, by the payment into the Treasury of the final balances on account of four per cent. subscriptions, and it is desirable that the settlements in London shall be completed at the same time.

I therefore have to request that you will inform the parties in interest that the four per cent. bonds now in your possession must be delivered and paid for during the present month, so that your accounts may be closed, and yourself and party enabled to start on your journey home as soon after the first of October as practicable. You will please advise this department of the date upon which you will sail.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1361.

Mr. Sherman to assistant treasurer New York.

TREASURY DEPARTMENT,
Washington, D. C., September 5, 1879.

Gen. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your interesting letter of the 4th instant is received, and is very satisfactory. One thing is very desirable to promote the easy absorption

of the gold coin and bullion coming to our country. Most of it, I presume, will find its way into the mints and assay offices, and finally into the Treasury. The question arises how is it best to pay for it; should greenbacks be exchanged for it, or should the practice of issuing gold certificates be renewed? I am afraid that the issue of certificates will at once make a distinction against United States notes.

Take your time in replying.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1362.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, September* 6, 1879.

SIR: We have received your letter of 5th concerning the closing of Mr. Conant's accounts, and will communicate its contents to our London friends. The delay in completing their settlements has been due to the great difficulty they experience in procuring called bonds and coupons in amounts sufficient to cover their deliveries of four per cents. It occurs to us to inquire whether you will have occasion shortly to transfer any money to London for the State or Navy Departments, as in that case we might facilitate the closing of the accounts by making a cash deposit there for such purposes.

Respectfully, H. C. FAHNESTOCK, *V. P.*

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1363.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 6, 1879.

DEAR MR. SECRETARY: A week of clear, bright, sunny weather, which has enabled the farmers to make good progress in gathering their crops, even deficient as they are, and the suspension of the shipment of gold to New York, have materially changed the aspect of money affairs as compared with seven days ago. Rates have fallen off from ¼ to ½ per cent., and the expectations that they would go higher have not been met.

The amount of gold exported from England to New York within the last few weeks is reported £3,000,000, and it is also stated that France has shipped £3,000,000 in gold to America, in payment for grain. I do not, however, think that the statements are correct. I believe that a part of the amount of the French shipments is included in the £3,000,000 shipped from this point, and that the total amount sent is much less than the amount reported. The Bank of France sold French gold coin for export at a premium. As the bank has such a large portion of its reserves in silver, it will be compelled to limit the sales of its gold; otherwise, its notes will be depreciated through too great a disproportion between the two metals. As nearly all Europe will be compelled

to purchase grain from us, the sources from which we shall draw gold will be well distributed. The financial and commercial interests here are almost united in their efforts to convice all that but little gold will be required from this point in payment for grain. They argue that prices in America will rise with increased prosperity in business, and that consequently the cost of manufactures will be increased, while on the other hand the continued stagnation and depression in business here will tend to a further reduction in wages and cost of production, and that the result of this will be to induce greater purchases of goods (as a matter of cheapness) for the markets of the United States.

The effect of the gold which has been received in New York on the prices of our bonds can be very clearly seen.

The comparatively small fluctuation in the price of the 4 per cent. bonds during the period of the stringency in New York, and while the rates of money advanced to seven per cent. or more, is quite remarkable. The price was kept steadier during the time than it would have been here in the case of consols under similar circumstances. One year ago the open market rate for money was 4 per cent., and the price of consols 94⅝, while now, at the market rate at 1¼, consols are quoted at 97⅞, showing a variation of 3¼ per cent. in the price of them.

The price of silver has again declined, and it is now worth 51⅜*d.* per ounce. The demand has almost wholly fallen off. Austria is no longer making purchases, and there are no demands from the East. During the six months ending June 30 last, the imports of silver into this country from the United States were £2,034,400, as compared with £956,395 in the corresponding period of last year. The exports of silver from this country in the period first named to the United States were £472,385, and for the period last named £1,011,240. The total imports of silver into London in the last six months were £6,190,000, of which amount one-third came from the United States, while only a part of that sum was returned to us.

I was very glad to get your letter of the 9th ultimo, the contents of which have been carefully considered. It is not possible for me at this moment to state the exact time when our business here will be concluded.

Of the last ten million bonds received, I have only delivered four and one-half millions. The fall in the price of the fours, which was at one time reduced below the amount the syndicate paid for them, stopped sales for a little time, and of course prolonged the time of operations here. We have now about one and one-half millions on hand in coupons, which will involve considerable time in getting them in shape for remittance.

The labor expended and time consumed in handling a coupon of the denomination of sixty-three cents is just the same as that required in handling a one-thousand-dollar bond.

I expect that we shall be prepared to return some time during next month.

Very respectfully, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

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No. 1364.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *September* 8, 1879.

H. C. FAHENSTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Your letter of the 6th instant is received. I am advised that the State Department will not need any money in London until after the receipt of the bankers' returns for September 30th, and the Navy Department has recently sent $500,000 there, which will last three months.

Why would it not be better for London parties to ship gold?

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1365.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 9, 1879.

SIR: I have the honor to acknowledge the receipt of a letter from the Acting Secretary of the Treasury under date of the 19th ultimo, returning, at the request of the First National Bank of New York, seven thousand dollars in coupon bonds, consols of 1865, act of March 3, 1865, received by the department with my letters of the 26th July and the 2d August, on account of the above named bank, and requesting that I would return the said bonds to the parties from whom I received them, taking in exchange therefor a corresponding amount of available United States securities, to be placed, when received, to the credit of the said bank, the bonds referred to being, it is alleged, a part of those stolen from the Manhattan Savings Institution of New York, the right of ownership of the same not yet having been determined.

In reply, I have to say that I handed the bonds in question, together with the letter from the department, to Messrs. J. S. Morgan & Co., and requested them to hand me in lieu thereof an equal amount of other United States securities, which they declined to do for reasons which, at my suggestion, they have stated in writing, in the form of a letter addressed to you, which was given to Mr. Coon to deliver to you.

Messrs. J. S. Morgan & Co. say that there will not be any controversy between themselves and the First National Bank in regard to these bonds; that as the government owes them quite a large sum for accrued interest on called bonds, which they have sent through me in payment for the 4 per cent. bonds delivered to them, the $7,000 can be deducted from the interest account and applied to the payment of the account for delivery of the 4 per cent. bonds (the principal account).

This treatment of the matter would simply leave the question of the payment to them of the amount of these bonds to be decided hereafter, the same as in any case of the redemption of bonds.

The bonds are in my possession, and I shall hold them until I receive further instructions from you.

Very respectfully, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1366.

Assistant Treasurer, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, September 11, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 5th instant. It is highly probable that the movement of gold for some time to come will be in the direction of the Treasury. As remarked in my letter of the 4th instant, there is no outside demand for it at present, except as a substitute for small United States notes, and should the imports of gold coin and bullion this fall be as heavy as has been anticipated, the amount that will find its way to our vaults will be very large. This raises the question of how payment shall be made for it, on which I venture to submit one or two brief suggestions.

There are three distinct classes of transactions through which gold may reach the Treasury. It may be tendered in payment of dues to the government, or for deposit, or in exchange for other money. In the first instance there will be nothing to give in return, the equivalent being the liquidation of the dues. But when it is offered for deposit or exchange, it will be necessary either to issue certificates or pay out United States notes to an equal amount.

If certificates are issued the Treasury becomes merely the custodian of the gold, the real ownership being in the holders of the certificates. The possession of gold in this way does not therefore add to the ability of the government to meet it engagements, as the certificates outstanding must first be provided for. The real strength of the Treasury lies in what it *owns*, rather than in what it *holds*, and in this view the only advantage in again resorting to the use of certificates would be their circulation and employment as money, which practically would increase the volume of redeemable currency the same as the issue of an equal amount of United States notes. Whether such an increase is desirable at this time, is a question about which there may be some doubt.

The alternative plan of paying in United States notes does not involve any increase of the total amount of such notes outstanding, since that is fixed by law, and the available balances in the Treasury from time to time could be used for the purpose. But will these balances always be sufficient to permit the exchanges? There might be occasions when the offerings of gold would exceed the available supply of notes, and in that case the coin would have to be refused for want of the particular kind of money needed to carry out the exchanges. So far we have had no difficulty in making them; but should the offerings of gold increase in amount, it might at times be inconvenient, if not impracticable, to provide for this new use of United States notes.

Thus it will be seen that neither plan is entirely free from objections, but of the two I should prefer the exchanging of United States notes for the gold rather than receiving it on deposit and the issuing of certificates to represent it. If this means should prove insufficient, further experience may suggest some other that would be effective. The foregoing has reference more particularly to accumulations of gold in the Treasury. But is it not desirable also to encourage the accumulation of it by the people?

With the volume of the United States notes limited to the present amount outstanding, and with the foreign exchanges in our favor, as they now are, the time may not be far distant when the stock of gold in the Treasury will reach an amount so ample, as a guarantee for the

redemption of the notes, that any further increase may be thought unnecessary. In view of such a contingency it might be well to look to the coinage for the purpose of having the denominations regulated to suit the convenience of the public. At this date the stock of gold coin on deposit here, nearly $125,000,000, consists almost wholly of double eagles, the smaller denominations having been recoined, as there was no demand for them for export, and no other use for them. Should it be decided hereafter to encourage the free circulation of gold as well as silver, and especially should a place be made for it by the gradual withdrawal of small notes, it will be necessary to provide a much larger proportion of one, two and one-half, and five dollar pieces than we now have on hand. The movement of gold towards this country and the policy of the government in the disposal of it are deeply important and interesting subjects. If I had more time to devote to them I should have greater confidence that my suggestions would stand the test of examination, and less reluctance in submitting them for your consideration. We received $500,000 in gold yesterday, and we are notified that $800,000 will be brought in to-day, all to be exchanged for United States notes. The scarcity of small United States notes, mentioned in my previous letter, still continues, and there are frequent applications for one, two and a half, and three dollar gold pieces as a substitute, which we cannot supply, as our whole stock of these denominations, about $800,000, is no more than we may need in our own payments. Standard silver dollars are not wanted.

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1367.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *September* 12, 1879.

DEAR SIR: Your interesting letter of the 20th ultimo is received and has been fully considered.

The arrival of gold coin and bullion has been very large, yesterday the amount being stated in the newspapers at about $5,000,000, and nearly every steamer brings a greater or less quantity.

The effect upon our market has been beneficial, inasmuch as it checks the advance of the rate of interest and supplies money now naturally being drawn into the Treasury for 4 per cent. bonds.

With a view of closing the loan accounts as soon as possible, the Treasurer has withdrawn from the market nearly $20,000,000 in excess of called bonds presented. The amount of called bonds still outstanding is something over $35,000,000, of which it is supposed ten or twelve millions belong to banks and twenty-four millions to other parties.

The bonds are, no doubt, kept back in the hope of buying four per cents at a lower rate, and the failure to present them is a source of serious embarrassment. To avoid too great a drain of United States notes from the market, I postponed closing the account upon the 1st of September as I intended, and extended the time to the 1st of October, but must now insist upon their being closed both here and in London at that time. As I wrote you the other day, I should be glad to hear when it will be convenient for you to return to this country, and to know whether

there is any reason why you should prolong your stay after the 1st of October.

Will it not be necessary to ship gold to meet the payment due for bonds delivered by you?

Very truly, JOHN SHERMAN, *Secretary.*

Hon. CHAS. F. CONANT,
London, England.

No. 1368.

Mr. Sherman to Assistant Treasurer United States at New York.

TREASURY DEPARTMENT, *September* 12, 1879.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Your letter of yesterday is received and has been read with attention. Upon the main point, that it is better to issue United States notes in exchange for gold coin and bullion rather than to issue coin certificates, I entirely agree with you. I looked upon the issue of coin certificates as the greatest danger to resumption, and therefore discontinued the practice, as you know, mainly because upon the first alarm the holders of United States notes would as far as possible convert them into coin certificates, and thus leave the residue of the notes without any basis for redemption. I see no difficulty in freely exchanging United States notes for gold coin, and believe that the present volume of such notes is ample for that purpose. If in this way we convert the redemption fund held for the banks, and that for the payment of currency certificates, into gold coin, we are to that extent strengthened, and can supply the market with gold coin when exchange turns against us. We ought in every possible way consistent with law to exchange with the least delay United States notes for coin and bullion. If I could see the way clear under the law to receive foreign coin in whole or in part in exchange for United States notes, I would be glad to do so, but that does not seem to be practicable. The Director of the Mint will issue instructions to the assay office at New York that will probably expedite matters a little there. The Treasurer will supply you with small notes as you need them, as rapidly as practicable.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1369.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 13, 1879.

DEAR MR. SECRETARY: The statement made by you on the 27th ultimo, in the Merchants' Exchange of Cincinnati, in regard to the extension of time for the settlement of funding operations with the depositary banks to October 1, has been commented upon in the newspapers here, as you will observe by the inclosed clippings from the Pall Mall Gazette.

The same article has been reproduced in other journals. Some of the financial writers express fears that a disturbance may again arise in the New York money market when the time for final settlement shall come, which may affect this market. I have been asked whether the final settlement would be so arranged as not to seriously interfere with the normal condition of the market, and I have given assurances that such would be the case.

The cessation of the efflux of gold to New York, the imports of gold from Paris, which has increased the stock in the Bank of England £178,000 sterling, and good weather during the current week have combined to bring about nearly the same condition in the money market as that which ruled during July. Money is abundant and rates have fallen. There is, however, some anxiety felt here in consequence of the heavy shipments of gold that are being made from Paris to New York. The demands of France for grain will be very large, and payment for a large portion of it will have to be made in gold. A telegram sent here yesterday from Paris states that 28,000,000 francs in gold would leave this week for the United States. This with former shipments will no doubt make an aggregate of three million sterling sent from that point to New York since the drain began. As the stock of gold in the Bank of France is rapidly declining, the fear is expressed here that when a certain point shall have been reached the bank may take measures to put a stop to a further outflow, and that gold may then be sought for in this market.

As I mentioned in my letter of last week, the stock of metals in the Bank of France is changing to silver—a fact which is attracting attention.

Although the advance in the rate of exchange in New York on London, and in the price of bonds, indicates a more favorable condition there, and that more gold from this side is not required at present, yet it is the general belief and expectation that further shipments of that metal will be made during the coming month for grain imports on English account.

The trade returns for the month of August do not show so large an amount of exports to the United States as was expected, or that they are increasing to the extent anticipated. By the trade returns it appears that the imports of raw cotton from the United States were about £3,000,000 less in the eight months ending August 31 last than they were in the corresponding period of last year, owing to a fall in prices, I take it, because the quantity is about the same. Under the new customs tariff of Germany, a duty of about $1.50 per 100 pounds is imposed on fresh meat; and on wheat, rye, oats, &c., the new rate is about 12 cents per 100 pounds, and on corn and barley it is about 6 cents per 100 pounds.

All of these articles have heretofore been admitted free of duty. On tea the tariff has been raised from 24 to 50 marks per 100 pounds.

The reports of the silver coinage of Austria up to the end of July, 1879, have just been published. The mints of that country were inactive until August of last year. Since that time, a period of about nineteen months, silver to the amount of £6,400,000 has been coined, and it is said that in addition to this silver coins have been imported for domestic circulation. The market price of silver would have fallen considerably but for this new demand.

Mr. Henry H. Gibbs, one of the directors of the Bank of England, and who was also one of the members of the international conference on the silver question which met last year at Paris, has become a convert to bi-metallism, and has written a pamphlet on the subject, in which

it is said that he treats the subject in a very able manner. He advocates the free mintage of silver, which is rather remarkable.

We have delivered five million of the last ten million of bonds sent here, and shall deliver one-half million on Monday next. The difficulty which Messrs. Morgan & Co. have met with in obtaining called bonds is the reason why they have not paid for a larger amount of the 4 per cent. bonds. They will undoubtedly make payment in New York for a portion of the bonds which I have on hand.

Very respectfully, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1370.

Mr. Sherman to Mr. Craur.

TREASURY DEPARTMENT, *September* 13, 1879.

CHARLES G. CRAUR, Esq.,
38 *Broad street, New York, N. Y.:*

SIR: Your letter of the 11th instant, asking to be informed why you were not allowed to pay national bank notes for United States ten dollar refunding certificates purchased, and why United States notes are reissued after having once been redeemed, has been received.

In reply, I have to inform you that the law authorized the department to receive lawful money for the refunding certificates, and no instructions were given the assistant treasurers to refuse national bank notes for them.

Legal-tender notes are reissued in accordance with the requirements of the act of Congress approved May 31, 1878, which provides as follows, viz:

> That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury, or other officer under him, to cancel or retire any more of the United States legal-tender notes, and when any of said notes may be redeemed or be received into the Treasury under any law from any source whatever, and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be reissued and paid out again and kept in circulation. * * * *

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1371.

Mr. Sherman to Mr. Emanuel.

TREASURY DEPARTMENT, *September* 15, 1879.

J. EMANUEL, M. D., *Spencerville, Ind.:*

SIR: Your letter of the 10th instant, stating that you desire five hundred or one thousand dollars in gold coin, and that you are unable to get it from the banks in your vicinity, and asking how you can obtain it, has been received.

In reply, I have to inform you that the United States assistant treasurer at New York is authorized to pay out gold coin in redemption of like amount of United States notes, in sums of not less than $50, and it

is presumed that you can obtain in this manner at that city any amount of gold you desire. I am unable to inform you what the express charges would be on shipments from New York to Spencerville, Indiana.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1372.

FORM.—*Used in the discontinuance of a national bank as United States depositary either for sale of United States refunding certificates or four per cent. bonds.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

Cashier

——— ———,

——— ———:

The entire amount of ——— authorized by law to be issued having been disposed of, and as there does not appear to have been any transactions with your bank on that account, it will be discontinued as a United States depositary for that purpose.

Before discontinuance is ordered; however, the bank will please render final transcripts of account, made up on the blank forms heretofore furnished, in which statement should be made that there is no balance remaining to the credit of the Treasurer of the United States on the account in question, verified by the oath or affirmation of the president and cashier of the bank, returning to this office at the same time all blank transcripts and certificates of deposit furnished the bank for use on this account and remaining unused.

Upon receipt of such transcripts your bank will be discontinued as such depositary.

Very respectfully, ——— ———, *Secretary.*

No. 1373.

FORM.—*Used in the discontinuance of a national bank as United States depositary either for sale of certificates or four per cent. bonds.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

Cashier

——— ———,

——— ———:

SIR: As your bank reports no balance to the credit of the Treasurer of the United States in its last transcript rendered on account of the ———, and as there will be no further transactions with the bank on that account, it will be discontinued as a United States depositary for that purpose.

Before discontinuance is ordered, however, the bank will please render final transcripts of account, made up on the blank forms heretofore furnished, in which statement should be made that there is no balance remaining to the credit of the Treasurer of the United States, on the account in question, verified by the oath or affirmation of the president

and cashier of the bank, returning to this office at the same time all blank transcripts and certificates of deposit furnished the bank for use on this account and remaining unused.

Upon receipt and verification of such transcripts your bank will be discontinued as such depositary.

Very respectfully, ——— ———, *Secretary.*

No. 1374.

FORM.—*Revoking designation as a United States depositary for sale of United States refunding certificates.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

———— ————,
U. S. Depositary,
———— ————:

SIR: The entire amount of United States refunding certificates offered for sale under the provisions of department's circular of March 12, 1879, having been disposed of, your designation as a United States depositary for their sale, dated ———, 1879, is hereby revoked.

Very respectfully, ——— ———, *Secretary.*

No. 1375.

FORM.—*Discontinuance of a United States depositary account sale of refunding certificates.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

———— ————,
U. S. Depositary,
———— ————:

SIR: The final transcripts of account for United States refunding certificates having been received from you, and the Treasurer of the United States having advised me that no objection exists to your discontinuance as a United States depositary for sale of certificates, such discontinuance is hereby ordered, to take effect from this day.

You will please forward to this office, by return mail, all the records of your office as a United States depositary, as well as all blank transcripts and certificates of deposit furnished for use on this account and remaining unused.

Very respectfully, ——— ———, *Secretary.*

No. 1376.

FORM.—*Notification to Postmaster-General of discontinuance of postmaster as United States depositary.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

Hon.——— ———, *Postmaster-General:*

SIR: I have the honor to inform you that the following-named post-

master ha this day been discontinued as U. S. depositar for the sale of the U. S. refunding certificates, act of February 26, 1879, viz:

Name.	Place where located.

Very respectfully, ——— ———, *Secretary.*

No. 1377.

FORM.—*Notification to Treasurer of United States of discontinuance of national bank depositaries.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

To the TREASURER OF THE UNITED STATES:

SIR: I have to inform you that the following-named national bank ha this day been discontinued as U. S. depositar to receive deposits on account of subscriptions , viz:

Name of bank.	Place where located.

Very respectfully ——— ———, *Assistant Secretary.*

No. 1378.

FORM.—*Notification Treasurer of United States of discontinuance of public officers as United States depositaries for the sale of United States refunding certificates.*

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., ——— —, 1879.

To the TREASURER OF THE UNITED STATES:

SIR: I have to inform you that the following-named public officer ha this day been discontinued as U. S. depositar for the sale of the U. S. refunding certificates, act of February 26, 1879, viz:

Name.	Place where located.

Very respectfully, ——— ———, *Assistant Secretary.*

No. 1379.

The Attorney-General to Mr Sherman.

DEPARTMENT OF JUSTICE,
Washington, September 19, 1879.

Hon. JOHN SHERMAN, *Secretary of the Treasury:*

SIR: Yours of the 18th, received this morning, informs me that it is desirable, if the law will permit, that the Treasurer and assistant treasurers of the United States be authorized to exchange gold and silver coin for United States notes. It calls my attention to section 3651, Revised Statutes, and asks whether, in my opinion, that section, or any other provision of law, prohibits or restricts such exchange.

The section 3651 was originally a portion of the act of 1846, known as "the sub-treasury act." It was re-enacted in 1862, 1863, and 1864, with certain modifications rendered necessary by the adoption of United States notes and national-bank notes as a part of the currency of the United States.

All of the section which need be considered is as follows:

> No exchange of funds shall be made by any disbursing officer or agent of the government, of any grade or denomination whatsoever, or connected with any branch of the public service, other than an exchange for gold, silver, United States notes, and national-bank notes; and every such disbursing officer, when the means for his disbursements are furnished to him in gold, silver, United States notes, or national-bank notes, shall make his payments in the money so furnished; or when they are furnished to him in drafts, shall cause those drafts to be presented at their place of payment, and properly paid according to law, and shall make his payments in the money so received for the drafts furnished, unless, in either case, he can exchange the means in his hands for gold and silver at par.

The remainder of the section is punitive in its character and need not be quoted.

The first of these clauses forbids any exchange of funds by disbursing officers or agents of the government other than an exchange of them for gold, silver, United States notes, and national-bank notes, but gives no authority for the exchange of either of these moneys for the other.

The second clause makes it the duty of every disbursing officer to pay, when the means for his disbursements are furnished to him in gold, silver, United States notes, or national-bank notes, in the moneys so furnished. It treats him, not as a debtor to the United States, but as a bailee of the funds of the United States, who is required to pay them out, and necessarily to keep them in the precise form in which he receives them.

The third clause contemplates that under certain circumstances (as where drafts are furnished the disbursing officer) he may exchange the means in his hands for gold and silver at par, but no authority is given to make any other exchange.

In view of the fact that the second clause makes it the imperative duty of every disbursing officer to make payments in the moneys which he receives, and that no provision is found permitting him to exchange gold and silver for other moneys, I am of opinion that the clause in question presents an obstacle to your wish to exchange gold and silver coin for United States notes through the depositaries of the United States which cannot be avoided under the present legislation.

Very respectfully, your obedient servant,

CHAS. DEVENS, *Attorney-General.*

No. 1380.

Circular concerning the payment of coin from the Treasury.

1879.
Department No. 142.
Secretary's Office.

TREASURY DEPARTMENT,
Washington, D. C., September 19, 1879.

Gold coin, beyond the needs of the government, having accumulated in the Treasury of the United States by the deposit in the several public assay offices of fine bars and foreign coin, for which the depositors have been paid, at their option, in United States notes, the Treasurer of the United States, and the several assistant treasurers at Boston, New York, Philadelphia, Baltimore, Cincinnati, Chicago, Saint Louis, New Orleans, and San Francisco are hereby authorized to pay out gold coin as well as silver coin and notes upon current obligations of the government, and upon advances to disbursing officers, as may be convenient and practicable.

Transfers of coin for this purpose will be made to any assistant treasurer, when necessary, by the Treasurer of the United States, upon application to him.

The Treasurer of the United States in this city, upon the receipt by him of a certificate of deposit issued by the United States assistant treasurer at New York, stating that there has been deposited with him legal-tender notes in the sum of $100, or multiples thereof, will also cause to be shipped from the Mint at Philadelphia to the depositor, at his risk and expense, a like amount of gold coin.

Standard silver dollars may also be obtained, as heretofore.

The exchange of gold coin for United States notes at the several subtreasury offices, except at New York, appears to be prohibited by section 3651, Revised Statutes of the United States, but it is believed that payments of coin as above authorized will enable persons to secure all that may be desired. JOHN SHERMAN, *Secretary.*

No. 1381.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 20, 1879.

DEAR MR. SECRETARY: I learn that Messrs. Raphael & Sons have purchased small amounts of gold during the current week for shipment to New York, and that £96,000 in double eagles have been withdrawn from the Bank of England for the same purpose. It is claimed that the advance in New York 60-day exchange on London to 4.81½ will prevent further shipments of gold, for the reason that they cannot profitably be made at that rate. The fact, however, remains that gold will be sent if nothing can be found to take its place.

Trade is so stagnant and business is so depressed that as a consequence money continues to accumulate at this center and can be easily borrowed on short time on good securities at the rate of ½ per cent. per annum, the rate having fallen considerably within the past week.

The clearing-house returns continue to show an immense falling off in business, and settling day, or "account day," now passes off without producing any effect upon the money market.

There has been no time in many years when this market has been so

free from reckless speculation as it is at the present moment, and, considering the cheapness of money now, it would seem quite remarkable that such should be the case, but it has, however, been brought about through the doubts which have been raised in regard to the future, occasioned by the bad harvests, the gloomy condition of business and commerce, and the generally unpromising outlook.

American competition in the supply of grain has raised the question whether agriculture in this country in the future can be made to pay, and it is being very seriously discussed. Under the present English land system I believe that the English farmer must go to the wall, but a great effort will be made to change the tenure, and it is thought by many that it will result in success. In the meantime the question of the source of the future supply is being considered. The description recently given in the New York Sun of the fertile plains in the neighborhood of Lake Winnipeg and of their producing power, together with the statement made by Lord Dufferin, that that district would be the future wheat-field of the world, are attracting some attention here, and it would not be astonishing if British capital should be employed in developing that section of country.

The Statist in to-day's issue publishes a little summarized statement of the totals of the receipts and expenditures of the United States for the past four years, and comments upon the diminishing receipts over expenditures.

It says: "Although the revenues of the United States Government are augmenting, it appears, unfortunately, that its expenditure increases very rapidly also."

If the remission of "protective taxation were to depend upon the surplus revenue over expenditure, we should have to wait an indefinite time for lower import duties on British goods in America." Articles on the question of the adoption of free trade by foreign countries, and setting forth how much England and its people suffer from the protective taxation of their manufactures by those countries, now appear frequently in the newspapers. When I first came here the subject of free trade was talked about as a matter of philanthrophy on the part of the English nation towards other nations; now it is plainly discussed as a pure question of British interests; quite a change. The return of the foreign trade of France for the eight months ending August 31 last, shows that the imports were £120,251,040 as compared with £107,494,960 in the corresponding period of last year; and that the exports were £80,649,360 as compared with £81,278,440 in the corresponding period of last year. The imports have increased while the exports have decreased. Increased imports of food account for the increase in the imports, while a decrease in the exports of manufactured articles accounts for the falling off in the exports.

Mr. Thomas Scott has published statistics of the supply of breadstuffs throughout the world, and he finds that, taken as a whole, the entire crop is deficient to the extent of 40,000,000 bushels, and he argues therefrom that prices must advance. He estimates that England will require 17,000,000 quarters (136,000,000 bushels); France, 64,000,000 bushels; Italy, 20,000,000 bushels; Belgium, Switzerland, China, and the West Indies, 64,000,000 bushels; Spain and Portugal, 24,000,000 bushels; and Holland, 6,000,000 bushels. The deficit will be met, except as to 40,000,000, by the United States, Canada, Russia, Turkey, Egypt, India, Algeria, and Australia.

It is stated that the late war added 170,000,000 sterling to the indebtedness of Russia and 6,000,000 sterling to her interest account.

Refinable bar gold is quoted at 77 shillings and 10½*d.* per ounce standard; United States gold coin at 76 shillings and 6*d.* per ounce; and German gold coin at 76 shillings and 3¼*d.* per ounce, and silver at 51⅝*d.* per ounce, with but little demand.

We have delivered $1,000,000 in 4 per cent. United States bonds to Messrs. J. S. Morgan & Co. during the current week, making the total deliveries of $6,000,000 of the last $10,000,000 sent here.

I am, with great respect, your obedient servant,

CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1382.

First Comptroller Treasury to Mr. Sherman.

TREASURY DEPARTMENT, FIRST COMPTROLLER'S OFFICE,
Washington, D. C. September 20, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I have read attentively the letter of Messrs. J. S. Morgan & Co. of the 1st instant, addressed to you, and by you referred to this office.

The rights of a purchaser or holder of a coupon bond are determined by the same principles which control those of the purchaser or holder of a bill or note. (Daniel on Negotiable Instruments, section 1592.) These bonds are possessed of the qualities of ordinary negotiable instruments. A *bona fide* holder of a negotiable instrument for a valuable consideration, without notice of facts which impeach its validity between the antecedent parties, if he takes it under an indorsement made before the same becomes due, holds the title unaffected by these facts, and may recover thereon, although, as between the antecedent parties, the transaction may be without any legal validity. (Goodman *v.* Simons, 20 Howard, p. 365.)

But purchasers of notes or bonds past due take nothing but the actual right and title of the vendors. (Foley *v.* Smith, 6 Wallace, p. 492; Daniel on Negotiable Instruments, section 724.) Such notes and bonds, if not paid at maturity, are considered as dishonored, and although still transferrable in like manner and form as before, yet the fact of dishonor, which is apparent from their face, is equivalent to notice to the holder that he takes them subject to their infirmities, and can acquire no better title than their transferrers. (Texas *v.* Hardenburg, 10 Wallace, p. 68; Daniel on Negotiable Instruments, section 782.) There can be no innocent purchaser of a coupon bond stolen from the holder after it becomes due.

The material question in relation to coupon bonds of the United States, payable at a specified date, but redeemable at the pleasure of the government at an earlier period, is, when do they become due in the sense of the commercial law?

In the case of Texas *v.* White, 7 Wallace, p. 375, the Supreme Court of the United States held that when the time arrives when, by the terms of the bonds, the government might redeem them, the rule in reference to overdue obligations becomes applicable to them; but the decision upon that particular point has been questioned by the same court in a later case (Vermilye *v.* Adams Express Company, 21 Wallace, 145).

In Texas *v.* White, the bonds, though redeemable, had *not been called.* The government had not notified its purpose to redeem them before the final period when they were made payable.

When the coupon bonds of the Manhattan Savings' Institution were stolen, the time had come when, by the terms of the bonds, they were redeemable at the pleasure of the government, and the government had, in addition, signified in the most public manner its desire to redeem them. The trustees of that institution claim that these bonds were negotiated by the thieves who stole them, in London, after the call issued by the government had matured. The trustees gave notice to the Treasury Department of the theft immediately after the bonds were stolen, and asked that the bonds should not be paid otherwise than to them. If these bonds were negotiated by the thieves after the call of the government had matured, it would be a moderate statement to say that it is at least very doubtful whether one could claim to be a *bona fide* purchaser of these bonds upon the ground of having paid full value for them without notice of the theft.

The question is one of importance, and it has seemed to me that it ought to be brought as early as practicable before some court of high authority for decision, and that the Treasury Department ought meanwhile to avoid, as far as practicable, prejudicing the claim of any of the parties.

The letter of J. S. Morgan & Co. is herewith returned.

Very respectfully, A. G. PORTER, *Comptroller.*

No. 1383.

First Comptroller Treasury to Mr. Sherman.

TREASURY DEPARTMENT,
FIRST COMPTROLLER'S OFFICE,
Washington, D. C., September 20, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury:

SIR: I have read, by your request, the letter written to you on the 29th ult. by Messrs. Luttgen & Beuter on behalf of Messrs. August Belmont & Co., and the contract to which it refers.

By the terms, that contract which was entered into on January 21, 1879, the bankers therein mentioned as parties of the second part, who will for convenience be called a syndicate, subscribed as of that date for $10,000,000 of 4 per cent. U. S. bonds, and were to subscribe monthly thereafter for $5,000,000 of said bonds. The contract was to continue in force until June 30, 1879, unless sooner terminated in the manner therein specified. On all bonds taken by this syndicate, a commission was to be allowed to it of one-fourth of one per cent., and for "sums in excess of ten millions dollars *subscribed for and taken* by the syndicate, an additional commission of one-tenth of one per cent. was to be allowed to it on such excess. It was provided, also, that during the continuation of the contract, and while the syndicate was fully complying with it, the Secretary of the Treasury should not sell and deliver in Europe to other parties any of said four per cent. bonds; but this clause, it was stipulated, should not be held to preclude the delivery by the Secretary in Europe of $3,600,000 of said bonds previously subscribed for by other parties, and it was added that "said sum shall be treated as a part of the first subscription made under this contract, but no commission on said sum shall be allowed to the parties hereto."

The commissions provided for by the contract are commissions on bonds taken by the syndicate itself. On the subscriptions previously made by other persons no commissions were to be paid to the syndicate. But these last named subscriptions were otherwise to be treated as part of the first subscription to be made under the contract. By treating the $3,600,000 as part of the first subscription, $10,000,000 is made up on a subscription by the syndicate of $6,400,000, and thus on the whole of the subscription in excess of the last named sum the syndicate would be entitled to an additional commission of one-tenth of one per cent. I think the syndicate is entitled, under a fair construction of the terms of the contract, to this additional commission. This construction does not give them a commission on bonds not subscribed for and taken by them. They will get no commissions on any part of the $3,600,000 subscribed by other parties; but as the subscription of $3,600,000 was, by the terms of the contract, to be treated as part of the first subscription in every respect but in allowing the syndicate a commission thereon, it must be treated as allowing the additional one-tenth of one per cent. to begin sooner than it would have begun but for that provision.

The letter of Messrs. Luttgen and Beuter, and the contract above referred to, are now returned to you.

Very respectfully, A. G. PORTER, *Comptroller.*

No. 1384.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES
New York, September 20, 1879.

SIR: I have the honor to acknowledge the receipt of department circular of September 19, authorizing the payment of gold as well as silver on current obligations of the government and advances to disbursing officers.

I think this authorization most wise and timely, but that it may have full effect in its operation it seems to me that the supply of gold coin of the smaller denominations should be increased, as suggested in my letter of the 11th instant. The eagles and double-eagles are too large to take the place of one, two, and five dollar notes in the circulation, and too inconvenient to carry about the person. For use as a substitute for small notes, the small denominations of gold coin are preferable, in fact indispensable, and I am inclined to think they would not only meet with more favor than the standard silver dollar, but that they might become as popular as small United States notes. The difficulty is that we have not got them in amount sufficient to supply even the present demand.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1385.

Mr. Sherman to Messrs. J. S. Morgan & Co.

TREASURY DEPARTMENT, *September* 23, 1879.

Messrs. J. S. MORGAN & CO., *London, England:*

GENTLEMAN: Your letter of the first instant, in regard to the settlement of called bonds stolen from the Manhattan Savings' Institution,

was handed to me by Mr. Coon, and my personal attention has been given to the subject-matter.

Of the $13,000 bonds mentioned in your letter, $6,000 were received by Mr. Conant from your firm under the contract of January 21, 1879, and are held in this office awaiting decision of ownership.

The remaining $7,000 were received by Mr. Conant from your firm on account of the First National Bank of New York, and were returned to him August 19, 1879.

Besides the above, an additional $2,000 were received from you through Mr. Conant, which the First National Bank of New York has requested this department to return to London.

The great importance of preserving the free negotiabilty of the public securities cannot be overstated. If the bonds referred to had not been called, no doubt could arise but that you were entitled to payment, though they had been stolen from the Manhattan Savings' Institution, but as it is claimed that the bonds were called, and that the call had matured before you purchased them, the question arises between you and the Manhattan Savings Institution, both being innocent parties, which, by law, should suffer the loss.

This is purely a legal question, which in the first instance must be decided by the First Comptroller of the Treasury, whose decision is binding upon the department.

I have had frequent conversations with him and submitted to him your letter. A copy of his reply is herewith inclosed.

The Manhattan Savings Institution insists upon the payment to it of the bonds, upon the principle of law stated by the Comptroller, and threatens a suit against the government in the Court of Claims to recover the amount. Our desire is to have the question decided by the Supreme Court of the United States, but as no suit can be brought against the United States such a decision can only be had in a controversy between private parties.

It would seem the better way would be for you and the Manhattan Savings Institution to enter upon an amicable suit, which could readily be transferred to the Supreme Court and there decided. In the meantime we will have to charge the proper accounts with the bonds referred to, but the question of ownership may remain open until the decision is known.

I have every desire to promote the settlement of all questions growing out of the refunding operations upon correct principles and to your satisfaction, but, as a matter of course, when legal questions arise affecting the interests of third parties, I must follow the decisions of the courts.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1386.

Mr. Sherman to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *September* 24, 1879.

HON. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York, N. Y.:

SIR: Acknowledging the receipt of your letter of the 20th instant, in which you suggest that the supply of gold coins of the smaller denomi-

nations be increased to use in circulation as a substitute for small notes, I have to inform you that directions have been given for the coinage of an amount of eagles and half-eagles sufficient for use as suggested, and that the department does not deem it advisable at present to increase the coinage of quarter-eagles.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1387.

Mr. Sherman to Mr. Conant.

TREASURY DEPARTMENT, *September* 25, 1879.

Hon. CHARLES F. CONANT, *London, Englannd:*

SIR: Your letter of the 9th instant, concerning the $7,000 called bonds which you received from Messrs. J. S. Morgan & Co., in payment of four per cent. bonds delivered to them for account of the First National Bank of New York, and which proved to have been stolen from the Manhattan Savings Institution of New York, has been received.

Messrs. J. S. Morgan & Co.'s proposition, that the value of the bonds be credited to the account of the First National Bank of New York, out of the surplus interest due their firm from certain called bonds received from them on account of the contract of the 21st January last, comes too late, as payment of the surplus was made to Drexel, Morgan & Co., of New York, on the 2d instant.

I inclose a copy of my letter of the 23d instant to J. S. Morgan & Co. upon the subject of the ownership of the bonds.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1388.

First National Bank of New York to Mr. Sherman.

FIRST NATIONAL BANK, *New York, September* 26, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We are in receipt of your letter of the 25th instant, and telegram to-day, declining to allow Mr. Conant to receive payment in gold from Messrs. J. S. Morgan & Co. for the balance due from them on account of the four per cent. bonds in London.

We certainly supposed that as former European agencies of the department had been authorized to receive payment in gold, and as the expense of transportation from London to Washington was to be borne by us, as provided in the syndicate contracts, there would be no objection to its being done in this case. The sole purpose of making the payment there was to avoid the withdrawal of a large amount of gold from this market at a moment when money is in such active demand for the movement of crops, &c., and every dollar withdrawn from the bank reserves just now is a curtailment of several times that amount of credit.

To the parties in interest, however, it is equally convenient to make the payment here or in London, and the money will therefore be deposited with the assistant treasurer in this city on or before October first.

The bonds, however, are to be delivered to Messrs. J. S. Morgan & Co., in London.

Very respectfully, GEO. F. BAKER, *President.*

No. 1389.

Mr. Sherman to First National Bank of New York.

[Telegram.]

TREASURY DEPARTMENT, *September* 26, 1879.

GEO. F. BAKER,
President First National Bank New York:

No objection to your transmitting gold coin at your risk and cost to assistant treasurer, New York. Old contract has no bearing on the case. JOHN SHERMAN, *Secretary.*

No. 1390.

Mr. Hawley to Mr. Allen.

TREASURY DEPARTMENT, *September* 26, 1879.

C. E. ALLEN, Esq., *Lancaster, N. H.:*

SIR: Referring to your letter of the 22d instant, requesting that your bond as United States depositary for the sale of United States refunding certificates be returned to you, I have to inform you that it is not customary for the department to return such bonds, and your request must therefore be declined.

Very respectfully, JOHN B. HAWLEY,
Assistant Secretary.

No. 1391.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, September 27, 1879.

DEAR MR. SECRETARY: No change of any moment has occurred in financial matters here since I last wrote to you. The rates continue at about the same figures, with a tendency to further reduction. Gold in small amounts is steadily being shipped to New York; and the shipments must continue for some time to come, for the reason that all of our surplus grain will be required to supply as far as possible the general deficiency. In view of the fact that there is, practically speaking, but little commercial demand for money, and that it is superabundant, the efflux of gold does not seem to attract much attention; the feelings of alarm which were created some months ago by the prospects of its exportation having entirely subsided. I can see nothing whatever in the present condition of affairs that indicates any revival of business or trade, except, perhaps, in the iron industry, which has received some stimulus

through orders from America; and therefore it seems to me that the present stagnant condition of the money market is likely to continue for some time to come. A vast deal of speculation has been carried on recently in Paris, the result, of course, of cheap money; and it at one time threatened to create a disturbance; but it is generally believed that it has been brought to an end. The discount and deposit banks here are at the present time allowing their depositors interest on their deposits at the rate of one per cent. per annum, and as that rate is about the same at which the banks must lend money at this time, it will be seen that they are not doing a very profitable business. Such a method of transacting business on our side would be very sharply criticised here.

I received in due season your letter of the 5th instant, informing me that refunding operations would be closed in the United States on or before the 1st of October, and expressing the desire that the settlements here should be completed at the same time, and requesting me to inform the parties in interest that the bonds in my possession must be delivered and paid for during the current month. I accordingly made your wishes known to Messrs. J. S. Morgan & Co, and they promised a compliance therewith. I stated in my letter of the 13th instant that Messrs. J. S. Morgan & Co. met with difficulty in obtaining called bonds in sufficient amounts to enable them to make rapid payment for the four per cents, and that they would undoubtedly have to make payment in New York for a portion of the bonds which I held. I have delivered to them to date $6,500,000 of the last $10,000,000 received from you, and shall, I expect, make another delivery of $500,000 on Monday next, leaving then $3,000,000 to be settled for. This amount the parties will have to pay in New York, unless you extend the time of settlement; and that I said to them you would not do.

They offered, if you would consent, to pay me gold, but I said to them that you would not entertain such a proposition, and that it was not worth while to telegraph about it. I think it probable that they can manage to make payment without shipping gold, but they claim that they cannot.

It seems to me that they might borrow money in New York from their correspondents, direct them to pay it into the Treasury, and then remit to them called bonds and coupons in installments, as they can gather them in the market here; and I believe they could obtain a sufficient amount within the ensuing six weeks to repay the amount they would have to borrow in New York. The settlement will be promptly made in some way on the 30th instant.

The price of silver is quoted at 51⅛*d.* per ounce, and there is a very small supply in the market. But a very small amount has recently been sent here from America.

Very respectfully, yours, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

P. S.—Since writing the above I have called on Messrs. J. S. Morgan & Co., and learned from them that they have made arrangements to pay into the sub-treasury in New York, on Monday next, the balance necessary to close the syndicate account.

No. 1392.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *September* 29, 1879.

GEORGE F. BAKER, Esq.,
President First National Bank, New York:

SIR: My absence on Saturday has delayed an answer to your letter of the 26th instant.

The declination of the department to allow Mr. Conant to receive gold coin in payment from Messrs. J. S. Morgan & Co., in London, was because such receipt would throw upon the government the risk of transit.

There was no objection on the part of the department to the actual shipment of coin by them at their risk and expense any time before the 1st of October. However, as it is convenient for them to pay in New York, it is better, as that will enable us to close the loan accounts by the 1st of October.

I think all parties are to be congratulated that the great transaction of funding the loan will thus be settled without the loss of a dollar, and without controversy as to the terms and conditions of payment. If I have been rigorous in exacting a strict performance of conditions, I have not failed to appreciate the fidelity and ability with which your bank and other designated depositaries have performed their obligations to the government.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1393.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *September* 29, 1879.

CONANT, *London:*

How much must be paid for delivery of the remaining 4 per cent. funded loan bonds held by you? SHERMAN.

No. 1394.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK, *New York, September* 29, 1879.

Hon. JOHN SHERMAN, *Washington, D. C.:*

DEAR SIR: We have asked you by telegraph to-day to state the amount of deposit required to complete our payments for 4 per cent. bonds delivered in London.

Upon receipt of your reply we will to-morrow deposit the amount with assistant treasurer United States in checks, which will be paid through the clearing-house on the following day, October 1.

We will ask General Hillhouse to advise you by letter of such deposit in advance of the transmission of the usual certificate (which is issued

only after collection of the checks), in order that the payment may appear in the debt statement.

We suggest that as it has been announced that this final payment would be made in London, it will be better now not to state that you have required it to be made here.

Very respectfully, H. C. FAHNESTOCK, *Vice-President.*

No. 1395.

Letter to Treasurer and Assistant Treasurer of the United States at New York.

TREASURY DEPARTMENT, *September* 29, 1879.

SIR: Hereafter, until otherwise advised, you will please pay out gold and silver coin freely upon all government obligations presented for payment and payable at your office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1396.

Letter to all United States Assistant Treasurers except the Assistant Treasurer at New York.

TREASURY DEPARTMENT, *September* 29, 1879.

SIR: Hereafter, until otherwise advised, you will please pay out gold and silver coin freely upon all government obligations presented for payment and payable at your office, making requisitions promptly upon the Treasurer of the United States for such a supply of these coins as may be necessary for this purpose.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1397.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT, *September* 29, 1879.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: The payment for four per cent. bonds for refunding having been completed, the called bonds outstanding, amounting to over $25,000,000, may be expected to be rapidly presented for payment.

It is desirable to so far modify the stipulations with the clearing-house as to allow the department to pay drafts drawn for called bonds in gold coin instead of United States notes. You will please consult the clearing-house committee with a view to such modification, and you are directed to pay accordingly.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1398.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, September 30, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 29th instant, directing the payment of all drafts drawn on this office for called bonds to be made in gold, and have just seen Mr. Camp as you suggested. As the result of our interview, I can state that no objection will be made to the payment in gold of such a proportion of our daily balances at the clearing-house as will equal the amount of checks on us for called bonds presented through that channel. Indeed, the 12th rule of the association provides for the payment of balances "either in actual coin or in United States legal-tender notes." Practically, payments heretofore have been made in United States notes only, but the fact does not abrogate the right to tender gold, or even silver coin. The plan decided on, which will be put in operation on the 1st proximo (if it meets your approval), is to keep a separate list of all checks presented through the clearing-house, stamped "redemption of United States bonds," and in paying our balances to include as much gold as will equal the amount of such checks. When the balance is in our favor, which rarely happens, the banks may claim the like privilege of paying in gold instead of United States notes; but I do not see how this can operate against the Treasury. If there is to be a plethora of coin, the Treasury can always pay out as much and as rapidly as it receives. Our available balance of United States notes on September 2 was $14,000,000, and at the close of business yesterday it was less than $7,000,000, showing a reduction during the month of $7,000,000. We shall be further depleted by the operations of to-day, the balance against us at the clearing-house being over $2,000,000. Should this drain of currency continue, we shall have to substitute coin, a contingency which I see has been anticipated and provided for by your order of the 29th instant, "to pay out gold and silver coin freely upon all government obligations presented for payment and payable at this office."

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer, United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1399.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *September* 30, 1879.

SHERMAN, *Washington:*

I have to say in reply to your cable of yesterday that payment of three million three hundred and fifty-one thousand three hundred dollars will answer. J. S. Morgan & Co. claim credit for eighty-three thousand five hundred and seventy-two dollars, amount of accrued interest on called bonds, which they desire to have applied in payment.

CONANT.

No. 1400.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *September* 30, 1879.

GEORGE F. BARKER,
President First National Bank, New York:

Conant cables that payment of three million three hundred and fifty-one thousand three hundred dollars will pay balance due from Morgan, errors excepted. JOHN SHERMAN, *Secretary.*

No. 1401.

Mr. Sherman to Assistant Treasurer United States, New York.

[Telegram.]

TREASURY DEPARTMENT, *September* 30, 1879.

THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

Advise me by telegram to-day amount of payment by First National Bank on London account. JOHN SHERMAN, *Secretary.*

No. 1402.

Assistant Treasurer United States, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *Sept.* 30, 1879.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. D.:

First National Bank has deposited check on London account for $3,351,300, which will go into the clearing-house for collection to-morrow.

THOS. HILLHOUSE,
Assistant Treasurer United States.

No. 1403.

Mr. Sherman to First National Bank, New York.

[Telegram.]

TREASURY DEPARTMENT, *September* 30, 1879.

First National Bank, New York:

Upon deposit of nine thousand dollars, the New York collateral will be released. Deficiency caused by Manhattan bonds returned to London. JOHN SHERMAN, *Secretary.*

No. 1404.

Assistant Treasurer United States, New York, to Mr. Sherman.

[Telegram.]

NEW YORK, *Sept.* 30, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

First National Bank declining to deposit the $9,000, I am unable to close out the collateral account to-day, though very desirous to do so.

THOS. HILLHOUSE, *Assistant Treasurer.*

No. 1405.

Mr. Sherman to Assistant Treasurer United States, New York

TREASURY DEPARTMENT, *September* 30, 1879.

ASSISTANT TREASURER UNITED STATES, *New York:*

SIR: I hereby confirm my telegram of to-day, authorizing you to deliver to the First National Bank of New York all the collateral in your custody as security for its four per cent. deposits except nine thousand dollars, payment therefor having been received at this office.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1406.

Assistant Treasurer United States to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, September 30, 1879.

SIR: I beg leave to confirm my telegram of this date, sent in obedience to your telegraphic request, that I have received from The First National Bank of this city its cashier's check for $3,351,300, to be deposited to the credit of the Treasurer United States on account of subscription to the four per cent. loan, being for the London account. This check was received at about 2.30 p. m. this day, and will be sent through the clearing-house to-morrow for payment. I am informed by the bank that this is in accordance with the agreement had with the department, the payment being due October 1.

Very respectfully,
THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1407.

Assistant Treasurer United States, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, September 30, 1879.

SIR: I regret that in consequence of an objection of the First National Bank to deposit the insignificant sum indicated in your dispatch of to-

day, we have not been able to transfer the collaterals belonging to the bank, still in our custody. Practically, however, this, the last open account at this office, in connection with refunding, is closed, and it is not premature, therefore, to congratulate you on the consummation of one of the greatest, if not the greatest, financial achievements of this or any other age.

Very respectfully, THOMAS HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1408.

First National Bank, New York, to Mr. Sherman.

FIRST NATIONAL BANK,
New York, September 30, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.:

SIR: We have received your letter of 29th, and note, with gratification, your remarks concerning the successful closing of the loan accounts.

Regarding, however, your mention that you "have been rigorous in exacting a strict performance of conditions," we wish to put on record that we have not, in a single instance, asked any accommodation or any deviation from the letter of the contract, or from the course pursued in previous funding negotiations, in all of which it has been necessary to govern the closing payments, to some extent, by the tardy presentation of the called bonds, to the redemption of which alone the money can be applied.

Our proposal to pay to Mr. Conant an amount in gold for the balance due the Treasury for 4 per cents delivered in London, which Messrs. Morgan & Co. had not been able to procure called bonds or coupons to cover, was only in pursuance of the provision made in the previous funding contracts, that such payments might be made; and we understood your letter of 3d May to confirm this provision when you said "that the general course of business adopted in the delivery of bonds in London under previous contracts will be observed as to such bonds."

By reference to the contracts, it will appear that in all cases it was stipulated that the contractors should defray the cost of shipment of coin from London to the Treasury Department, including, of course, the cost of insurance, which eliminates the risk of transmission.

As we have said, however, the payment here is equally convenient to the parties in interest, but the withdrawal of the money at this time from this market is an unnecessary public inconvenience, which we wished to avoid by the shipment of coin from London to New York.

You have, perhaps, also overlooked the fact that for these bonds ($3,350,000) sold in London, for which we expected to make payment only there, we are now, at the last moment and unexpectedly, required to make payment here, when we cannot in ordinary course receive returns from London in less than a fortnight.

As the announced postponement of our final settlement until October 1 has occasioned some comment, we think it proper to call your attention to the fact that the payments for our last subscription of $121,000,000 4 per cents average 105 days from April 17; that is to say, our payments

in May and June, in advance of any requisitions by the Treasurer, brought our total payments to the average date of July 31.

This calculation is made from the debits on our ledger, after receipt from the department of advice of each redemption and credit of called bonds. The same calculation, based upon the dates of our transmission of called bonds to Washington and of delivery of called bonds and coupons to the Treasury agent in London, will bring the average date of payment within three months from date of the subscription.

Other depositaries, as a rule, made payments only in response to requisitions, and you will find, upon comparison of the accounts, that their average payments extended over a much longer period than ours, as stated above.

Redemptions of called bonds should now be made without the delay which has heretofore been experienced, so that the money withdrawn to-day may be returned as rapidly as possible to the banks, whose surplus reserve was last week down to $2,500,000.

Respectfully, H. C. FAHNESTOCK, *V. P.*

No. 1409.

Mr. Sherman to Mr. Conant.

[Cable telegram.]

TREASURY DEPARTMENT, *October* 1, 1879.

CONANT, *London:*

First National Bank of New York has deposited $3,351,300. Deliver to J. S. Morgan & Co. a like amount of four per cent. bonds, or balance of ten millions. SHERMAN.

No. 1410.

Mr. Sherman to First National Bank, New York.

TREASURY DEPARTMENT, *October* 1, 1879.

H. C. FAHNESTOCK, Esq.,
Vice-President First National Bank, New York:

SIR: Referring to the last paragraph of your letter of the 30th ultimo, in which you say that "redemptions of called bonds should now be made without the delay which has heretofore been experienced, so that money withdrawn to day may be returned as rapidly as possible to the banks, whose surplus reserve was last week down to two and a half millions," I have to say that returns for called bonds will hereafter be made by the Treasurer United States on the day they are received in this office, or on the day following.

A cable dispatch has been sent to Mr. Conant instructing him to deliver to Messrs. J. S. Morgan & Co. $3,351,300 4 per cent. bonds, or the balance of the ten millions remaining undelivered.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1411.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT, *October* 1, 1879.

Hon. THOMAS HILLHOUSE,
United States Assistant Treasurer, New York:

SIR: I have received your letter of the 30th ultimo, in which you inform me that the plan decided on for making payments in gold to the Clearing House Association is to keep a separate list of all checks presented through the clearing-house, stamped "redemption of United States bonds," and in paying your balances to include as much gold as will equal the amount of such checks, and have to inform you that the proposed plan meets with my approval.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1411½

[Telegram.]

TREASURY DEPARTMENT, *October* 1, 1879.

H. KESSLER, *Cincinnati, Ohio:*

SIR: The assistant treasurer will pay gold on any drafts upon him. Some Cincinnati banks hold called bonds which will be paid there in gold coin.

Gold on deposit with assistant treasurer can be increased to any extent.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1412.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, October 1, 1879.

SIR: In conformity with your general instructions of the 29th instant to pay out gold and silver coin freely upon all government obligations payable at this office, we are to-day tendering gold in payment of all checks presented at our counters stamped "Redemption of U. S. bonds," as well as checks for interest on the public debt. Under the arrangement with the clearing house, of which I had the honor of advising you yesterday, we shall also pay in gold all redemption checks presented through that channel. Checks drawn for salaries, pensions, and other objects, we are paying partly in notes and partly in standard silver dollars; the latter in the proportion of about 10 per cent. of the checks. We shall pay no gold to the clearing-house to-day, the balance happening to be in our favor, $1,000,000 or over. As stated in my letter of yesterday, this very rarely occurs, but when it does it will prevent the carrying out of your directions of the 29th ultimo, to pay all checks for redemption of United States bonds in gold, in so far as such checks may be included in the exchanges. The balance, whatever it may be, will be paid to,

instead of by this office. The scarcity of United States notes of small denominations at this point still continues unabated, although we have received from the department and distributed over $8,000,000, since September 10. It is difficult to account for this unprecedented demand for United States notes, unless it is caused by the increased products of the country, and the higher prices they command. The amount of actual money required to move the crops must depend on these two factors, and on this supposition the present active movement of currency to the interior is easily explained. It may continue for some time to come, but finally the tide must turn, and money will again begin to accumulate in the great commercial centers. To my mind, it is a strong reason for the infusion of a large amount of coin into the circulation, that it would have a tendency to check these periodical and spasmodic movements of money from one point to another, and cause a more equal and permanent distribution of it throughout the country. Notes can be transported so easily and cheaply, that when they are not needed elsewhere, they uniformly gravitate towards this and other cities, where they are used in large measure to foster unhealthy speculation. Coin being more expensive to transport, it would not pay to send it to the great centers of trade for the mere purpose of accumulation, and it would be more likely to remain where it was placed.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

Our currency balance this morning was $5,000,000, and we have gained in the operations of the day.

No. 1412½.

Mr. Sherman to Assistant Treasurer United States at New York.

TREASURY DEPARTMENT, *October* 1, 1879.

Hon. THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: I have to acknowledge receipt of $9,000 United States coupon 4 per cent. bonds which were forwarded by you by express for account of the First National Bank of New York, to be held in this department pending the settlement of a balance of $9,000 due from that bank on its subscription account.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1412¾.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *October* 2, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: In reply to your letter of the 1st instant, requesting that payment be made, without delay, of the commissions due yourselves and associates upon $11,400,000 United States 4 per cent. bonds sold

under the contract of January 21, 1879, I have to say that the voucher therefor has been referred to the proper accounting officer, and that returns will be made in due course.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1413.

Assistant Treasurer at New York to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, October 3, 1879.

SIR: Our available balance of United States notes is reduced at the close of business to-day to $4,000,000. The balance against us at the clearing-house was $1,600,000, of which $240,000, being for checks stamped "Redemption of United States bonds," was paid in gold. But notwithstanding we use gold in payment of this class of checks, as well as others presented at the counter, you will notice that our supply of United States notes is rapidly diminishing. In fact, so long as we exchange these notes for gold we cannot prevent the gold from being returned to us, and thus what is gained in the payments is lost in the exchanges. I do not feel at liberty to refuse the gold so long as our stock of notes holds out, but as there is no limit to the depletion from this cause, it is proper I should call your attention to it, with a view to such other modified instructions as you may deem expedient to give me. The situation here just now is peculiar. The banks apparently have no desire to accumulate actual coin, and if we issued gold certificates as formerly they would transfer the custody of it to the Treasury. This means of relief failing them, they will resort to an exchange of the coin for United States notes, an operation which for good reasons it may be desirable to encourage, but which is liable at any time to deplete the Treasury of its notes to the point of exhaustion. If neither certificates nor United States notes can be had the banks will probably pool this gold, and issue certificates thereon, which will pass current in the settlements at the clearing-house. This question of the care and custody of the large amount of gold now flowing into the country, is a pressing one. A part of it may go into actual circulation, if the denominations are arranged to suit the public convenience, but the greater portion must find its way either to the vaults of the Treasury or those of the banks.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1414.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 4, 1879.

DEAR MR. SECRETARY: I received on the 30th ultimo the cable message sent by you, as follows: "How much must be paid for delivery of the remaining 4 per cent. funded loan bonds held by you?" and I an-

swered the same during the day by a dispatch in the following words, viz: "I have to say in reply to your cable of yesterday that payment of $3,351,300 will answer. J. S. Morgan & Co. claim credit for eighty-three thousand five hundred and seventy-two dollars, amount of accrued interest on called bonds, which they desire to have applied in payment." The last sentence I added to my dispatch at the request of Messrs. Morgan & Co., who were anxious to have the amount of the accrued interest due them on the called bonds I had sent forward applied in liquidation of their indebtedness on account of the ten millions in four per cent. bonds. On the 2d instant I received your message received here on the evening of the 1st, as follows: "First National Bank of New York have deposited $3,351,300. Deliver to J. S. Morgan & Co. like amount of four per cent. funded loan bonds, or balance of ten millions." I have made no answer to this dispatch because it did not seem necessary that I should do so.

We shall be occupied for at least two weeks to come in counting, assorting, and scheduling the coupons, checks, &c., which we have on hand, and I shall advise you by cable of the date of our leaving London for New York.

* * * * * * *

The price of bonds and of exchange, as telegraphed here from New York, seems to indicate that the settlement of refunding operations passed off without creating any disturbance or excitement whatever in the money market there. It seems to me that a period of inflation may be looked for whenever the money which has been accumulated in the Treasury shall be called for and paid out in the settlement of the outstanding bonds, and be then added to the large stock which has gone over from this side. Messrs. Pixley and Abell estimate that the total amount of gold sent from England, France, and Germany since the 1st of July to the present time will reach the sum of £10,500,000 sterling.

It is said that the Bank of France will endeavor to stop a further efflux of gold. Its reserve of gold is diminishing, while its stock of silver is increasing very rapidly.

The general and growing opinion seems to be that Germany, through the force of circumstances, will be compelled to change her policy to a certain extent in regard to silver. The volume of her currency is insufficient for the wants of her people.

The condition of the money market and of financial affairs remains unaltered; one especially good feature in it at the present time is the absence of speculation.

Very respectfully, yours, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1415.

Mr. Sherman to Assistant Treasurer at New York.

TREASURY DEPARTMENT, *October* 4, 1879.

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: Your letter of the 3d instant, stating that your available balance of United States notes is rapidly diminishing in consequence of the large amount of gold presented for exchange, and that you do not

feel at liberty to refuse gold coin so long as your stock of notes holds out, has been received. In reply I have to inform you that as the government is now paying out coin on its obligations, you will not be expected or required to pay out notes for gold or silver except in cases where it is of advantage to the government, and entirely convenient for you to do so.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1416.

Mr. Sherman to Assistant Treasurer United States, New York.

TREASURY DEPARTMENT, *October* 6, 1879.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: I invite you to consider the question of the free issue of silver certificates to meet the present demand for currency. They can only be paid in the purchase of silver bullion, or in exchange for silver dollars, or when willingly received in lieu of silver dollars. It would seem that this form of currency could be used at the present time with advantage, as the certificates freely circulate as money, and can be paid into the Treasury for all purposes.

It is necessary that the Treasury avail itself of the gold and silver coin on hand to meet current disbursements, or in lieu of the silver dollars to issue silver certificates. The amount of such certificates already printed is limited, but to the extent of the amount on hand you are authorized to freely issue them under the limits stated in this letter, and when more are needed to make requisition upon the Treasurer. No fixed rule of payment can be prescribed, but the amount to be issued is left to your discretion.

Please give me your view of the expediency of making such payments, and report the amount of certificates paid.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1417.

Mr. Sherman to Assistant Treasurer at Chicago.

TREASURY DEPARTMENT, *October* 6, 1879.

FRANK GILBERT, Esq.,
Assistant Treasurer United States, Chicago, Ill.:

SIR: Complaints are made in the public prints that you have not paid gold coin on current demands when requested.

Your attention is called to department circular No. 142. The Treasurer advises me that you have not asked for transfers of coin for that purpose, except on Saturday last to the amount of $200,000.

You are directed to make requisition for such coin in ample sums in time to meet any probable demand upon you.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1417½.

Mr. Sherman to Messrs. Belmont & Co.

TREASURY DEPARTMENT, *October* 8, 1879.

Messrs. AUGUST BELMONT & CO., *New York:*

GENTLEMEN: Herewith you will receive draft No. B. 8457, drawn upon Treasury warrant No. 2505, in favor of the parties to the contract of January 21, 1879, for $35,500, in payment of commissions allowed under said contract for the negotiation of $11,400,000 United States four per cent. bonds sold by the contracting parties in London.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1418.

Mr. Conant to Mr. Sherman.

[Cable telegram.]

LONDON, *October* 8, 1879.

SHERMAN, *Washington:*

I have received your letters of 23d and 25th. J. S. Morgan & Co. decline to give me 9,000 in lieu five-twenty coupon bonds returned. Amount will have to be deducted from accrued interest on called bonds I have forwarded on account of First National Bank New York.

CONANT.

No. 1418½.

Mr. Sherman to Messrs. Drexel, Morgan & Co.

TREASURY DEPARTMENT, *October* 8, 1879.

Messrs. DREXEL, MORGAN & CO., *New York:*

GENTLEMEN: Herewith you will receive draft No. B. 8456, drawn upon Treasury warrant No. 2505, in favor of the parties to the contract of January 21, 1879, for $35,000, in payment of commissions allowed under said contract for the negotiation of $10,000,000 United States four per cent. bonds sold by the contracting parties in London.

Very respectfully, JOHN SHERMAN, *Secretary.*

No. 1419.

Assistant Treasurer, New York, to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
New York, October 8, 1879.

SIR: I have the honor to acknowledge the receipt of your letter of the 6th instant relative to the use of silver certificates, and to state in reply that we have for some time issued them in the ways you indicate—that

is, in exchange for silver dollars, or in lieu of silver dollars when preferred, and in the payment of checks drawn for silver bullion. The amount of certificates, however, that can be issued for these purposes is limited, as you will notice from our reports, which show that the total issue up to this time is only $346,000. This, however, is exclusive of the certificates issued at other places, received here in payment of duties, and again paid out.

We can increase the issue by tendering silver dollars in our ordinary payments over the counter, giving the option to holders of checks to take the certificates, which they would prefer to do; but in our payments through the clearing-house, amounting to over 90 per cent., the plan could not be carried out, owing to the hostile action taken there with reference to silver some time ago.

The fact is, that on this question of the circulation of silver, or certificates representing it, the views of the clearing-house are not in harmony with those of the department. Were it otherwise there would be no difficulty in speedily utilizing the $30,000,000 of silver now in the Treasury vaults, of which only about $4,000,000 are represented by certificates outstanding. It seems to me important that the Treasury and the banks should be in accord on this question, and I have expressed this opinion freely in conversation with Mr. Camp. Would it not be well for the Secretary to use his more effective influence in the same direction?

Very respectfully,

THOS. HILLHOUSE,
Assistant Treasurer United States.

The Hon. JOHN SHERMAN, *Secretary.*

No. 1420.

Assistant Treasurer, New York, to Mr. Sherman.

OFFICE ASSISTANT TREASURER UNITED STATES,
New York, October 8, 1879.

SIR: The New York Associated Banks yesterday took formal action on the question of appointing a depositary for the care and custody of their gold by selecting the Bank of America to act in that capacity, and providing that the certificates issued by the bank on deposits of gold coin should pass current in the settlements at the clearing-house. As there may be occasions when, as a creditor at the clearing-house, the balance may be in our favor instead of against us, I will thank you to advise me whether we can accept these certificates in payment. I cannot see that it would involve any risk, but there may be legal objections that do not occur to me.

The course of the banks here was not unexpected. They would, no doubt, have preferred to place their gold for safe-keeping in the Treasury, but this would have revived the use of the coin-certificates—a plan open to the objections mentioned in our previous correspondence. It is probable, also, that the free issue of the certificates would lead to an exchange of the United States notes held by the banks as a reserve into gold, and then of the gold into certificates. The result would be a change of the reserve from United States notes to gold, of which the Treasury would be the custodian only, instead of the owner. This result need not be ap-

prehended so long as an exchange of their United States notes for gold would make the banks themselves the custodians of the coin.

Very respectfully, THOS. HILLHOUSE,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary.*

No. 1421.

Messrs. J. S. Morgan & Co. to Mr. Sherman.

22 OLD BROAD STREET,
London, E. C., October 10, 1879.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, U. S. A.:

DEAR SIR: We are duly in receipt of your letter of the 23d ultimo, covering the letter of the Comptroller, Mr. Porter, to yourself, dated September 20, in relation to the bonds stolen from the Manhattan Savings' Institution.

We regret extremely that you should have allowed his view of a legal technicality to override the customs of our Treasury in regard to bearer bonds, especially as after a careful perusal of Mr. Porter's letter we can discover no sufficient cause for adopting a course which, if persevered in, will injure the negotiability of any bearer bond of the government. It will further seriously hamper any future funding operations by rendering every one unwilling to buy any bonds after the date for which they are called has matured. This will force the holders to send them to Washington at their own peril, or submit to a heavy discount to any one relieving them of the risk. No one will be willing to hold a bearer bond of the United States Government at the period of its maturity, as no one can tell whether it has not been stolen at some period during its currency, and they may find payment of the principal stopped or delayed upon presenting the bond for redemption.

We would further point out to your excellency that the threat of the Manhattan Savings' Institution to prosecute the government in the Court of Claims is one open to anybody, and equally available to ourselves as against payment to them.

We prefer, however, to appeal to your own sense of equity and the general interests of the government.

The principal point made by Mr. Porter seems to be that a called bond has a fixed maturity. We utterly differ from his interpretation of the law, even if that were so; but we would call your attention again to the fact that the government simply in its calls stops the interest and notifies the redemption, and there is no maturity in any legal sense. The owner loses none of his rights to the principal by not presenting—only to the interest.

How, then, can we who bought the bonds be in a worse position than he?

The government was converting its debt to secure money at a lower rate; it was to its interest that the bonds should not be presented; there is nothing in the bond indicating its maturity.

These called bonds are scattered all over the world, and your own experience will have shown you that it is the exception, rather than the rule, when they are presented at maturity. How, therefore, can the principles of a past-due note bear upon the case? Mr. Porter says a note or bond past due, if not paid at maturity, is considered dishonored. Can this theory be maintained a moment?

If so, every United States bond not presented at maturity becomes a dishonored obligation.

Mr. Porter makes a further allusion to a decision in the Texas indemnity bonds suits. The cases are not at all similar. These bonds had a fixed maturity on their face. They were bought after notice and at a heavy discount, and the last fact showed that they were bought with full knowledge that something was irregular about them. Our late firm of George Peabody & Co. were large holders of these very bonds, for which they had paid full value in the ordinary course of business, and it was held by the Treasury that under those circumstances they were entitled to their money for them, and they were duly paid.

The entire custom of the business community is against Mr. Porter's view, and we have not found a single authority here who took a different view from our own.

We bought these bonds in good faith, of respectable houses—not from the thief. We paid full value for them, and we demand their payment to us from the United States Government.

We understand a suit is now pending between the Manhattan Savings' Institution and L. von Hoffmann & Co. upon a similar issue. Since receipt of your letters about the stolen bonds, we have received notice from the Manhattan Savings' Institution that they were their property. They therefore know who holds them, and where to look for redress.

They will never prosecute the government when they can sue a firm of responsibility in its stead, recovery from individuals being so much more simple.

It certainly strikes us as profoundly unjust that the power of the United States Government should be used to aid in the collection of a claim for a private institution through whose negligence partly the bonds were lost, and as against a firm who were defrauded while carrying out, in strict compliance with commercial usage and previous custom, the funding operations of the United States.

We do not care, therefore, to join the bank in an amicable suit in the Supreme Court in this matter, as we presume the von Hoffmann suit will soon be decided; but, however the matter is settled, a serious blow is threatened at the negotiability of a bearer bond of the United States, which we profoundly regret, and ask your excellency to avert ere it be too late.

We are, dear sir, yours, faithfully, J. S. MORGAN & CO.

[Indorsement.]

TREASURY DEPARTMENT, *October* 22, 1879.

Referred to the First Comptroller.

Whatever may be the result of a litigation about the payment of these bonds, it does appear to me that, as a matter of public policy and of justice, where coupon bonds of the United States are purchased in due course, without suspicion of fraud or collusion, they ought to be paid to the holder, especially where the holder is entirely responsible and can be sued within the limits of the United States. Every doubt should be construed in favor of the negotiability of public securities.

While I think the writers exaggerate the decision, as it affects but a very small amount, still in this case, if you feel disposed to give credit to the Treasurer for the payment of these bonds, I will be inclined to direct him to pay them.

Please give me your view of the matter.

JOHN SHERMAN, *Secretary.*

No. 1422.

Assistant Treasurer at Chicago to Mr. Sherman.

OFFICE OF ASSISTANT TREASURER UNITED STATES,
Chicago, Ill., October 10, 1879.

SIR: I deeply regret having placed the department in a false light as regards gold payments at this office. Permit me to explain the matter.

The first day that there was any considerable demand for gold I made a requisition by mail, instead of by wire, as I should have done, and requested the two banks having the largest transactions with this office, and which I knew had on hand heavy gold reserves, to accept currency until I received a new supply, promising to then redeem the currency thus paid them. I sent the message verbally, and one of the banks misunderstood it. As soon as the request was understood, the arrangement was entirely satisfactory. I hope to give no further occasion for censure.

Most truly, yours, FRANK GILBERT,
Assistant Treasurer United States.

Hon. JOHN SHERMAN, *Secretary Treasury.*

No. 1423.

Mr. Hawley to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *October* 10, 1879.

UNITED STATES ASSISTANT TREASURER, *New York, N. Y.:*

SIR: Your letter of the 8th instant, stating that the New York Associated Banks took formal action on the 7th instant on the question of appointing a depositary for the care and custody of their gold by selecting the Bank of America to act in that capacity, and providing that the certificates issued by the Bank of America on deposits of gold coin should pass current in the settlements at the clearing-house, and asking whether you can accept such certificates in payment of balances due the United States from the clearing-house, has been received.

In reply, I have to inform you that as at present advised it seems to me that you should not receive the certificates in question in payment of balances.

The necessity for their use in this way, however, will not arise often, if at all, and upon the return of the Secretary I will lay the matter before him for further consideration.

Very respectfully, JOHN B. HAWLEY, *Acting Secretary.*

No. 1424.

Mr. Conant to Mr. Sherman.

NEW COURT, ST. SWITHIN'S LANE,
London, E. C., England, October 11, 1869.

SIR: I have received your letter of the 23d ultimo, returning only at the

request of the First National Bank of New York, four coupon bonds of five hundred dollars each, "consols of 1865," act March 3, 1865, received by the department with my letter of August 30, on account of the above-named bank, and requesting that I would return the said bonds to the parties from whom I received them, taking in exchange therefor a corresponding amount of available United States securities, to be placed when received to the credit of the said bank, the bonds referred to being, it is alleged, a part of those stolen from the Manhattan Savings Institution of New York, the numbers of which it is also claimed have been altered, the right of ownership of the same not yet having been determined.

I immediately handed the bonds in question to Messrs. J. S. Morgan & Co., together with your letter, and requested them to hand me, in lieu thereof, an equal amount of other United States securities, which they declined to do for reasons embodied in their letter to you under date of September 1. I have also received your letter of the 25th September, in answer to my letter of the 9th of the same month, concerning the $7,000 called bonds stolen from the Manhattan Savings' Institution, and received by me in payment for four per cent. bonds delivered to Messrs. J. S. Morgan, & Co., and stating that the proposition of that firm that the value of the bonds be credited to the account of the First National Bank of New York, out of the surplus interest due them from certain called bonds received from them on account of the contract of the 21st January last, comes too late, as payment of the surplus was made on the 2d instant.

I replied to both letters by cable message on the 8th instant, as follows: "I have your letters of the 23d and 25th. J. S. Morgan & Co. decline to give me nine thousand in lieu of 5-20 called bonds returned. Amount will have to be deducted from accrued interest on called bonds I have forwarded on account of the First National Bank." The amount of accrued interest referred to, that is, on the last ten million transaction, is about $84,000, and represents a sum paid here in excess of deliveries made here.

Messrs. Morgan & Co. have informed me that they shall have no controversy with the First National Bank in regard to the matter, and that they have written to that effect.

Very respectfully, CHAS. F. CONANT.

The Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

No. 1425.

Mr. Sherman to Assistant Treasurer, New York.

TREASURY DEPARTMENT, *October* 18, 1879.

General THOMAS HILLHOUSE,
Assistant Treasurer United States, New York:

SIR: Referring to your letter of the 8th inst., in respect to the selection by the New York Associated Banks of the Bank of America as a bank of deposit for gold coin, and also to the lettter of Acting Secretary Hawley of the 10th, I have to confirm his letter, and to advise you that upon examination of the law it would appear to be quite clear that the Treasury cannot receive the coin certificates of the Bank of America as money;

but no practical difficulty is anticipated on this account. The arrangement is clearly a proper one for the banks and for the country. It is scarcely probable that Congress will care to modify the sub-treasury act so as to allow these certificates to be received as money, but it will not be difficult for you either to collect balances due the government in coin or to arrange with the Bank of America to deposit coin in the Treasury in lieu of the certificates.

Please confer with the committee of associated banks and receive suggestions from them as to the best mode of conducting the business.

Very respectfully, JOHN SHERMAN, *Secretary.*

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit of designated depositaries of the United States, under provisions of law, as shown by returns in the office of the Secretary of the Treasury. Continued from Senate Ex. Doc. No. 9, 1st session Forty-sixth Congress.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	City National Bank, Selma, Ala.:				
Feb. 28, 1879	To balance of subscriptions	$50,043 85	Mar. 31, 1879	By transfer to Treasurer United States	$50,043 85
	Colorado National Bank, Denver, Colo.:				
Feb. 28, 1879	To balance of subscriptions	6,033 65	Mar. 14, 1879	By transfer to Treasurer United States	3,016 44
Mar. 8, 1879	Subscription	10,722 41	Mar. 29, 1879	do	453 06
Mar. 22, 1879	do	2,016 88	Apr. 15, 1879	do	305 92
Apr. 5, 1879	do	4,000 00	May 28, 1879	do	107 81
			June 19, 1879	do	13,682 06
			June 30, 1879	do	5,207 65
		22,772 94			22,772 94
	First National Bank, Denver, Colo.:				
Mar. 15, 1879	Subscription	4,504 44	June 30, 1879	By transfer to assistant treasurer New York	4,504 44
	Farmers and Mechanics' Bank, Hartford, Conn.:				
Mar. 15, 1879	Subscription	4,031 01	Mar. 29, 1879	By transfer to Treasurer United States	2,040 93
Apr. 5, 1879	do	50 02	Apr. 30, 1879	do	2,040 10
		4,081 03			4,081 03
	City National Bank, Griffin, Ga.:				
Apr. 5, 1879	Subscription	1,050 02	July 7, 1879	By transfer to assistant treasurer New York	1,050 02
	Hartford National Bank, Hartford, Conn.:				
Feb. 28, 1879	To balance of subscriptions	177,462 80	Mar. 8, 1879	By transfer to Treasurer United States	2,035 01
Mar. 15, 1879	Subscription	22,176 00	Mar. 26, 1879	do	7,014 32
			Mar. 27, 1879	do	8,636 92
			Mar. 31, 1879	do	2,022 03
			Apr. 12, 1879	do	9,064 75
			Apr. 19, 1879	do	9,916 89
			Apr. 26, 1879	By transfer to assistant treasurer New York	5,000 00
			May 5, 1879	do	5,000 00
			May 7, 1879	do	15,000 00
			May 10, 1879	do	15,000 00
			May 13, 1879	do	5,000 00
			May 15, 1879	do	15,000 00
			June 28, 1879	do	20,000 00
			July 5, 1879	do	20,099 18
			July 31, 1879	do	25,000 00
			Aug. 4, 1879	do	35,849 70
		199,638 80			199,638 80

	Mechanics' National Bank, Peoria, Ill.:				
Feb. 28, 1879	To balance of subscriptions	5,011 51	Apr. 16, 1879	By transfer to assistant treasurer New York	5,011 51
	First National Bank, Quincy, Ill.:				
Feb. 28, 1879	To balance of subscriptions	60,119 84	Mar. 1, 1879	By transfer to Treasurer United States	6,542 05
Mar. 8, 1879	Subscription	10,568 77	Mar. 3, 1879	....do	4,026 72
Mar. 22, 1879	.... do	1,008 22	Mar. 17, 1879	....do	1,008 22
			Mar. 24, 1879	....do	3,674 99
			Apr. 23, 1879	....do	30,098 64
			June 6, 1879	....do	513 31
			June 27, 1879	....do	5,000 00
			June 28, 1879	.... do	2,963 01
			July 5, 1879	By transfer to assistant treasurer New York	17,869 89
		71,696 83			71,696 83
	First National Bank, Springfield, Ill.:				
Feb. 28, 1879	To balance of subscriptions	110,232 33	Apr. 19, 1879	By transfer to assistant treasurer New York	5,000 00
			Apr. 26, 1879	.... do	10,000 00
			May 5, 1879	....do	20,000 00
			May 8, 1879	....do	10,000 00
			May 10, 1879	....do	10,000 00
			May 13, 1879	....do	5,000 00
			May 16, 1879	....do	10,000 00
			June 27, 1879	....do	8,000 00
			July 5, 1879	....do	10,000 00
			July 11, 1879	....do	22,232 33
		110,232 33			110,232 33
	Covington City National Bank, Covington, Ky.:				
Feb. 28, 1879	To balance of subscriptions	476,819 20	Mar. 1, 1879	By transfer to assistant treasurer New York	31,319 80
			Mar. 6, 1879	....do	20,000 00
			Mar. 24, 1879	....do	25,000 00
			Mar. 28, 1879	....do	40,000 00
			Mar. 31, 1879	....do	18,235 61
			Apr. 18, 1879	....do	44,979 51
			Apr. 25, 1879	.... do	5,107 67
			May 8, 1879	....do	4,070 36
			May 9, 1879	.... do	10,000 00
			May 12, 1879	....do	10,000 00
			May 19, 1879	....do	50,000 00
			June 18, 1879	....do	126,388 02
			June 27, 1879	....do	12,000 00
			July 2, 1879	....do	26,613 62
			July 7, 1879	....do	36,504 61
			July 18, 1879	....do	11,114 76
			July 24, 1879	....do	5,485 24
		476,819 20			476,819 20

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, Covington, Ky.:				
Feb. 28, 1879	To balance of subscriptions	$32,127 77	Mar. 1, 1879	By transfer to Treasurer United States	$12,213 86
			Mar. 12, 1879	....do	2,034 07
			July 24, 1879	....do	17,879 84
		32,127 77			32,127 77
	New Orleans National Bank, New Orleans, La.:				
Feb. 28, 1879	To balance of subscriptions	24,642 33	Apr. 3, 1879	By transfer to assistant treasurer New Orleans	20,000 00
			May 5, 1879	....do	4,642 33
		24,642 33			24,642 33
	Granite National Bank, Augusta, Me.:				
Feb. 28, 1879	To balance of subscriptions	463,643 69	Mar. 25, 1879	By transfer to Treasurer United States	7,266 90
Mar. 8, 1879	Subscription	25,180 82	Mar. 26, 1879	By transfer to assistant treasurer Boston	5,157 36
Mar. 15, 1879	....do	10,080 00	Apr. 12, 1879	By transfer to Treasurer United States	25,838 35
Mar. 22, 1879	....do	10,082 19	Apr. 18, 1879	....do	21,409 43
			Apr. 25, 1879	....do	32,086 12
			Apr. 10, 1879	By transfer to assistant treasurer Boston	36,616 27
			Apr. 16, 1879	....do	30,000 00
			June 10, 1879	By transfer to assistant treasurer New York	100,000 00
			June 18, 1879	....do	44,799 22
			June 24, 1879	....do	19,412 22
			June 30, 1879	....do	40,000 00
			July 2, 1879	....do	1,227 21
			July 5, 1879	....do	35,000 00
			July 12, 1879	By transfer to Treasurer United States	25,000 00
			July 18, 1879	....do	6,698 20
			July 22, 1879	By transfer to assistant treasurer Boston	20,000 00
			July 25, 1879	....do	10,000 00
			July 28, 1879	....do	30,000 00
			July 31, 1879	....do	18,475 42
		508,986 70			508,986 70
	Merchants' National Bank, Bangor, Me.:				
Feb. 28, 1879	To balance of subscriptions	50,000 00	Apr. 19, 1879	By transfer to assistant treasurer Boston	5,000 00
			Apr. 28, 1879	By transfer to assistant treasurer New York	5,000 00
			Apr. 6, 1879	....do	15,000 00
			Apr. 9, 1879	....do	10,000 00
			Apr. 12, 1879	....do	5,000 00

			Apr. 14, 1879	By transfer to assistant treasurer Boston	5,000 00
			Apr. 15, 1879	.....do	5,000 00
		50,000 00			50,000 00
	Second National Bank, Cumberland, Md.:				
Feb. 28, 1879	To balance of subscriptions	15,068 50	Mar. 1, 1879	By transfer to Treasurer United States	5,995 32
Mar. 8, 1879	Subscription	10,065 75	Mar. 25, 1879	.....do	568 01
			Apr. 2, 1879	.....do	14,391 48
			May 22, 1879	.....do	4,239 44
		25,134 25			25,134 25
	Blackstone National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	106,386 89	Mar. 22, 1879	By transfer to assistant treasurer Boston	20,386 89
			Mar. 26, 1879	.....do	40,000 00
			Apr. 25, 1879	.....do	5,000 00
			May 3, 1879	By transfer to assistant treasurer New York	15,000 00
			May 7, 1879	.....do	15,000 00
			May 12, 1879	.....do	11,000 00
		106,386 89			106,386 89
	Central National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	200,533 33	Apr. 25, 1879	By transfer to assistant treasurer New York	20,000 00
			May 6, 1879	By transfer to assistant treasurer Boston	25,000 00
			May 7, 1879	.....do	25,000 00
			May 9, 1879	.....do	25,000 00
			May 12, 1879	.....do	10,000 00
			June 5, 1879	.....do	10,174 90
			June 24, 1879	.....do	43,858 14
			July 1, 1879	.....do	10,000 00
			July 8, 1879	.....do	10,000 00
			July 12, 1879	.....do	10,000 00
			July 14, 1879	By transfer to Treasurer United States	978 00
			July 22, 1879	By transfer to assistant treasurer New York	10,522 29
		200,533 33			200,533 33
	Continental National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	100,493 20	May 9, 1879	By transfer to assistant treasurer New York	10,493 20
			May 12, 1879	.....do	20,000 00
			May 13, 1879	By transfer to assistant treasurer Boston	25,000 00
			June 25, 1879	By transfer to assistant treasurer New York	10,000 00
			July 2, 1879	.....do	10,000 00
			July 11, 1879	.....do	10,000 00
			July 19, 1879	.....do	15,000 00
		100,493 20			100,493 20

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	First Ward National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	$22,625 56	Mar. 5, 1879	By transfer to assistant treasurer Boston	$956 57
Mar. 8, 1879	Subscription	402 78	Mar. 12, 1879	do	2,015 78
Mar. 15, 1879	do	1,612 00	Mar. 22, 1879	do	151 35
Mar. 22, 1879	do	3,125 21	Mar. 27, 1879	do	2,018 84
Mar. 31, 1879	do	500 00	Apr. 18, 1879	By transfer to assistant treasurer New York	1,701 74
			Apr. 26, 1879	do	1,002 46
			May 2, 1879	do	2,547 50
			May 7, 1879	do	903 38
			May 9, 1879	do	1,305 29
			May 24, 1879	do	15,662 64
		28,265 55			28,265 55
	National Security Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	1,102,533 50	Apr. 30, 1879	By transfer to assistant treasurer New York	203,000 00
			May 8, 1879	do	50,000 00
			May 10, 1879	do	25,000 00
			May 16, 1879	do	75,000 00
			May 17, 1879	do	25,000 00
			May 20, 1879	do	25,000 00
			July 1, 1879	do	50,000 00
			July 3, 1879	do	50,000 00
			July 8, 1879	do	50,000 00
			July 12, 1879	do	35,000 00
			July 16, 1879	do	114,533 50
			July 29, 1879	do	400,000 00
		1,102,533 50			1,102,533 50
	Manufacturers' National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	880,399 35	Mar. 3, 1879	By transfer to Treasurer United States	15,229 32
Mar. 8, 1879	Subscription	100,669 59	Mar. 7, 1879	Counter entered	1 98
Apr. 5, 1879	do	100,010 96	Mar. 17, 1879	By transfer to assistant treasurer New York	3,157 12
			Mar. 19, 1879	do	50,000 00
			Mar. 20, 1879	do	52,991 76
			Mar. 24, 1879	do	50,000 00
			Mar. 26, 1879	do	51,731 53
			Mar. 27, 1879	do	10,214 03
			Mar. 29, 1879	do	41,073 89
			Apr. 5, 1879	By transfer to Treasurer United States	87,594 27
			Apr. 11, 1879	do	144,396 52
			Apr. 17, 1879	do	15,165 27
			Apr. 25, 1879	do	66,027 40

			Apr. 2, 1879	....do	5,104 33
			May 3, 1879	By transfer to assistant treasurer New York	15,000 00
			May 7, 1879	....do	15,000 00
			May 7, 1879	By transfer to Treasurer United States	15,223 16
			May 24, 1879	.....do	1,424 89
			May 31, 1879	.....do	1,523 42
			June 5, 1879	.....do	5,098 44
			June 10, 1879	.....do	24,407 56
			June 11, 1879	.....do	20,186 48
			June 13, 1879	.....do	12,564 61
			June 23, 1879	.....do	242,315 90
			June 28, 1879	.....do	7,005 54
			July 5, 1879	By transfer to assistant treasurer New York	10,000 00
			July 11, 1879	.....do	30,000 00
			July 15, 1879	.....do	8,741 80
			July 24, 1879	.....do	20,000 00
			July 26, 1879	.....do	30,000 00
			July 30, 1879	.....do	7,565 78
			Aug. 2, 1879	.....do	11,181 87
			Aug. 9, 1879	.....do	11,153 07
		1,081,079 90			1,081,079 90
	Maverick National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	17,889,697 50	Mar. 3, 1879	By transfer to assistant treasurer New York	115,186 23
Mar. 8, 1879	Subscription	1,006,904 0	Mar. 4, 1879	By transfer to assistant treasurer Boston	24,050 00
Mar. 15, 1879	.....do	2,015,562 00	Mar. 4, 1879	By transfer to assistant treasurer New York	180,000 00
Apr. 5, 1879	.....do	2,000,274 00	Mar. 5, 1879	.....do	100,052 77
			Mar. 10, 1879	By transfer to assistant treasurer Boston	57,260 00
			Mar. 20, 187.	.....do	5,021 19
			Mar. 31, 1879	.....do	1,817,450 48
			Apr. 1, 1879	By transfer to Treasurer United States	1,735,840 13
			Apr. 15, 1879	.....do	15,298 51
			Apr. 16, 1879	.....do	540,881 50
			Apr. 17, 1879	By transfer to assistant treasurer New Orleans	65,000 00
			Apr. 18, 1879	By transfer to Treasurer United States	35,000 00
			Apr. 21, 1879	.....do	142,471 00
			Apr. 22, 1879	By transfer to assistant treasurer New Orleans	12,800 00
			Apr. 23, 1879	By transfer to Treasurer United States	40,000 00
			Apr. 30, 1879	By transfer to assistant treasurer New Orleans	50,000 00
			Apr. 30, 1879	By transfer to assistant treasurer New York	125,000 00
			Apr. 30, 1879	By transfer to Treasurer United States	523,322 35
			May 9, 1879	.....do	3,605,588 94
			May 12, 1879	By transfer to assistant treasurer New Orleans	25,000 00
			May 14, 1879	By transfer to assistant treasurer New York	150,000 00
			May 15, 1879	By transfer to Treasurer United States	11,156 24
			May 17, 1879	By transfer to assistant treasurer New Orleans	25,000 00
			May 19, 1879	.....do	25,000 00
			May 19, 1879	By transfer to assistant treasurer New York	1,360,000 00
			May 19, 1879	By transfer to Treasurer United States	662,087 92
			May 20, 1879	.....do	101,811 32
			May 21, 1879	By transfer to assistant treasurer New York	300,000 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Maverick National Bank, Boston, Mass.—Continued.		May 24, 1879	By transfer to assistant treasurer New York	$550,000 00
			May 24, 1879	By transfer to Treasurer United States	204,134 80
			May 26, 1879	do	392,170 75
			May 26, 1879	By transfer to assistant treasurer New Orleans	50,000 00
			May 26, 1879	By transfer to assistant treasurer Boston	10,000 00
			May 29, 1879	By transfer to Treasurer United States	437,428 36
			June 2, 1879	do	553,568 98
			June 4, 1879	do	470,848 56
			June 5, 1879	do	20,253 00
			June 7, 1879	do	181,228 41
			June 9, 1879	do	436,550 72
			June 11, 1879	do	302,255 35
			June 12, 1879	do	311,603 60
			June 16, 1879	do	83,920 00
			June 18, 1879	do	120,533 68
			June 20, 1879	do	171,353 38
			June 21, 1879	do	204,381 99
			June 23, 1879	do	284,554 66
			June 25, 1879	By transfer to assistant treasurer New Orleans	25,000 00
			June 28, 1879	do	40,000 00
			June 30, 1879	By transfer to Treasurer United States	25,000 00
			June 30, 1879	do	153,439 12
			July 1, 1879	By transfer to assistant treasurer New York	300,000 00
			July 2, 1879	do	200,000 00
			July 3, 1879	do	185,000 00
			July 10, 1879	do	250,000 00
			July 11, 1879	By transfer to Treasurer United States	100,000 00
			July 11, 1879	By transfer to assistant treasurer New York	500,000 00
			July 11, 1879	By transfer to Treasurer United States	256,226 59
			July 12, 1879	By transfer to Assistant treasurer New York	25,000 00
			July 14, 1879	By transfer to Treasurer United States	281,429 32
			July 15, 1879	By transfer to assistant treasurer New Orleans	25,000 00
			July 15, 1879	By transfer to assistant treasurer New York	150,000 00
			July 16, 1879	do	150,000 00
			July 16, 1879	By transfer to assistant treasurer New Orleans	25,000 00
			July 16, 1879	By transfer to Treasurer United States	102,495 59
			July 17, 1879	By transfer to assistant treasurer New York	200,000 00
			July 18, 1879	do	200,000 00
			July 18, 1879	By transfer to Treasurer United States	249,674 71
			July 19, 1879	By transfer to assistant treasurer New York	100,000 00
			July 19, 1879	By transfer to assistant treasurer New Orleans	35,000 00
			July 20, 1879	do	15,000 00
			July 23, 1879	do	25,000 00
			July 24, 1879	By transfer to Treasurer United States	128,272 30
			July 25, 1879	do	77,061 38

			July 31, 1879	do	102,158 48
			Aug. 2, 1879	do	1,253,031 32
			Aug. 4, 1879	do	295,942 68
			Aug. 6, 1879	do	536,684 35
			Aug. 7, 1879	By transfer to assistant treasurer Boston	190,000 00
			Aug. 8, 1879	do	6,006 84
			Aug. 11, 1879	do	10,000 00
		22,912,437 50			22,912,437 50
	National Bank of the Commonwealth, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	870,235 80	Mar. 4, 1879	By transfer to assistant treasurer Boston	68,000 00
			Mar. 22, 1879	do	12,235 80
			Apr. 5, 1879	do	100,000 00
			Apr. 18, 1879	do	129,000 00
			Apr. 29, 1879	do	196,000 00
			May 7, 1879	do	10,000 00
			May 12, 1879	do	10,000 00
			May 14, 1879	do	25,000 00
			May 16, 1879	do	25,250 00
			May 19, 1879	do	279 36
			May 23, 1879	do	86,750 00
			May 26, 1879	do	115,000 00
			May 28, 1879	do	25,000 00
			June 30, 1879	do	25,000 00
			July 8, 1879	do	18,000 00
			July 14, 1879	do	12,000 00
			July 23, 1879	do	12,720 64
		870,235 80			870,235 80
	Suffolk National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	200,898 60	May 12, 1879	By transfer to assistant treasurer Boston	35,000 00
			May 13, 1879	do	30,000 00
			June 25, 1879	do	30,000 00
			July 2, 1879	do	25,000 00
			July 9, 1879	do	20,000 00
			July 21, 1879	do	25,000 00
			July 24, 1879	do	35,898 60
		200,898 60			200,898 60
	National Revere Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	401,622 00	Mar. 22, 1879	By transfer to assistant treasurer Boston	10,740 28
			Mar. 24, 1879	do	20,000 00
			Apr. 26, 1879	do	100,507 40
			May 3, 1879	do	100,000 00
			May 7, 1879	By transfer to assistant treasurer New York	25,000 00
			May 12, 1879	do	10,000 00
			May 14, 1879	do	25,000 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	National Revere Bank, Boston, Mass.—Continued.		May 15, 1879	By transfer to assistant treasurer New York	$25,000 00
			June 27, 1879	do	85,374 32
		$401,622 00			401,622 00
	North National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	402,467 67	Mar. 10, 1879	By transfer to assistant treasurer Boston	741 70
			Mar. 12, 1879	do	100,789 10
			Mar. 22, 1879	do	99,992 60
			Apr. 18, 1879	do	20,000 00
			Apr. 25, 1879	do	15,000 00
			May 3, 1879	By transfer to assistant treasurer New York	25,944 27
			May 7, 1879	do	50,000 00
			May 9, 1879	do	50,000 00
			May 12, 1879	do	40,000 00
		402,467 67			402,467 67
	Pacific National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	1,001,644 00	Apr. 15, 1879	By transfer to assistant treasurer New York	350,000 00
			Apr. 16, 1879	do	150,000 00
			Apr. 17, 1879	do	100,000 00
			Apr. 18, 1879	do	100,000 00
			Apr. 19, 1879	do	150,000 00
			Apr. 22, 1879	do	150,000 00
			May 12, 1879	By transfer to assistant treasurer Boston	1,644 00
		1,001,644 00			1,001,644 00
	Home National Bank, Brockton, Mass.:				
Feb. 28, 1879	To balance of subscriptions	87,164 13	May 9, 1879	By transfer to assistant treasurer Boston	10,000 00
			May 12, 1879	do	20,000 00
			May 14, 1879	do	5,000 00
			May 22, 1879	By transfer to assistant treasurer New York	52,164 13
		87,164 13			87,164 13
	Monument National Bank, Boston, Mass.:				
Feb. 28, 1879	To balance of subscriptions	6,875,204 49	Mar. 6, 1879	By transfer to Treasurer United States	31,593 01
Mar. 8, 1879	Subscription	50,323 30	Mar. 14, 1879	do	25,229 99
Mar. 15, 1879	do	503,945 50	Mar. 20, 1879	do	548,819 09
Apr. 5, 1879	do	500,055 00	Mar. 31, 1879	do	512,360 05
			Apr. 2, 1879	do	149,818 51
			Apr. 10, 1879	do	1,596,289 16
			Apr. 17, 1879	do	426,983 23

			Apr. 29, 1879	....do	397,128 97
			May 1, 1879	....do	344,107 61
			May 13, 1879	By transfer to assistant treasurer Boston	70,000 00
			May 14, 1879	By transfer to assistant treasurer New York	50,000 00
			May 15, 1879	By transfer to assistant treasurer Boston	180,000 00
			May 16, 1879	....do	140,000 00
			May 16, 1879	By transfer to assistant treasurer New York	20,000 00
			May 17, 1879	By transfer to assistant treasurer Boston	125,000 00
			May 19, 1879	....do	15,000 00
			May 24, 1879	By transfer to Treasurer United States	226,516 99
			May 30, 1879	....do	335,311 64
			June 2, 1879	....do	424,578 14
			June 6, 1879	....do	357,172 48
			June 9, 1879	....do	101,887 05
			June 11, 1879	....do	298,240 29
			June 12, 1879	....do	132,511 64
			June 13, 1879	....do	122,384 58
			June 18, 1879	....do	1,015 29
			June 20, 1879	....do	85,685 41
			June 28, 1879	....do	265,661 14
			June 28, 1879	By transfer to assistant treasurer Boston	35,000 00
			June 30, 1879	By transfer to Treasurer United States	51,076 71
			June 30, 1879	By transfer to assistant treasurer Boston	65,000 00
			July 7, 1879	....do	50,000 00
			July 8, 1879	....do	50,000 00
			July 9, 1879	....do	40,000 00
			July 10, 1879	....do	40,000 00
			July 12, 1879	....do	30,000 00
			July 14, 1879	....do	30,000 00
			July 15, 1879	....do	90,000 00
			July 25, 1879	....do	75,000 00
			July 26, 1879	By transfer to Treasurer United States	3,307 17
			July 29, 1879	By transfer to assistant treasurer, Boston	150,000 00
			Aug. 1, 1879	....do	10,000 00
			Aug. 4, 1879	....do	25,000 00
			Aug. 5, 1879	....do	15,000 00
			Aug. 5, 1879	By transfer to Treasurer United States	40,862 84
			Aug. 7, 1879	....do	71,383 87
			Aug. 9, 1879	By transfer to assistant treasurer Boston	47,690 23
			Aug. 11, 1879	....do	26,913 20
		7,929,528 29			7,929,528 29
	Rollstone National Bank, Fitchburg, Mass.:				
Feb. 28, 1879	To balance of subscriptions	460,805 06	Mar. 21, 1879	By transfer to assistant treasurer Boston	1,779 29
			Mar. 21, 1879	By transfer to Treasurer United States	19,355 09
			Apr. 4, 1879	....do	37,835 87
			Apr. 10, 1879	....do	20,420 82
			Apr. 21, 1879	....do	4,065 75
			May 7, 1879	By transfer to assistant treasurer Boston	26,250 00
			May 9, 1879	By transfer to Treasurer United States	507 40
			June 20, 1879	....do	14,651 27

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Rollstone National Bank, Fitchburg, Mass.—Continued.		June 28, 1879	By transfer to Treasurer United States	$10,907 28
			July 19, 1879	....do	566 72
			July 31, 1879	....do	324,465 57
		$460,805 06			460,805 06
	First National Bank, Chelsea, Mass.:				
Feb. 28, 1879	To balance of subscriptions	900,830 31	Mar. 8, 1879	By transfer to assistant treasurer Boston	2,000 00
Mar. 8, 1879	Subscription	27,811 65	Mar. 31, 1879	....do	1,890 10
Mar. 15, 1879	....do	2,637 98	Mar. 5, 1879	....do	13,245 53
Apr. 5, 1879	....do	167,045 05	Mar. 12, 1879	....do	83,074 69
			Mar. 18, 1879	....do	5,508 79
			Mar. 25, 1879	....do	13,660 27
			May 5, 1879	By transfer to assistant treasurer New York	20,000 00
			May 5, 1879	By transfer to Treasurer United States	2,576 20
			May 8, 1879	By transfer to assistant treasurer Boston	20,000 00
			May 9, 1879	By transfer to Treasurer United States	102,942 47
			May 10, 1879	By transfer to assistant treasurer New York	25,000 00
			May 13, 1879	....do	20,000 00
			May 14, 1879	By transfer to assistant treasurer Boston	405,000 00
			May 16, 1879	....do	60,000 00
			May 22, 1879	By transfer to Treasurer United States	5,698 04
			May 30, 1879	....do	63,632 38
			June 3, 1879	By transfer to assistant treasurer Boston	100,000 00
			June 4, 1879	....do	100,000 00
			June 4, 1879	By transfer to Treasurer United States	55,296 52
		1,098,324 99			1,098,324 99
	Safety Fund National Bank, Fitchburg, Mass.:				
Feb. 28, 1879	To balance of subscriptions	50,191 75	Mar. 4, 1879	By transfer to assistant treasurer Boston	5,019 17
			Apr. 18, 1879	....do	5,019 17
			May 8, 1879	....do	24,000 00
			May 12, 1879	....do	16,153 41
		50,191 75			50,191 75
	First National Bank Gloucester, Mass.:				
Feb. 28, 1879	To balance of subscriptions	40,151 23	Mar. 11, 1879	By transfer to assistant treasurer Boston	10,076 71
			Apr. 8, 1879	By transfer to assistant treasurer New York	5,000 00
			Apr. 25, 1879	....do	5,006 58
			May 5, 1879	By transfer to assistant treasurer, Boston	20,067 94
		40,151 23			40,151 23

	Wachusett National Bank, Fitchburg, Mass.:				
Feb. 28, 1879	To balance of subscriptions	1,103,356 58	Mar. 10, 1879	By transfer to assistant treasurer Boston	232 02
Mar. 22, 1879	Subscription	1,000 00	Mar. 22, 1879	....do	250,000 00
Mar. 31, 1879	....do	700 00	Mar. 24, 1879	....do	50,000 00
Apr. 5, 1879	....do	1,000 00	Apr. 2, 1879	....do	105,041 03
			Apr. 19, 1879	....do	57,565 04
			Apr. 28, 1879	....do	255,379 48
			May 2, 1879	....do	101,627 10
			May 3, 1879	....do	5,800 00
			May 13, 1879	....do	10,000 00
			May 15, 1879	....do	20,000 00
			May 16, 1879	....do	25,000 00
			May 26, 1879	....do	156,883 03
			June 27, 1879	....do	12,200 00
			June 28, 1879	....do	2,243 30
			July 8, 1879	....do	28,000 00
			July 28, 1879	....do	509 52
			Aug. 2, 1879	....do	25,576 06
		1,106,056 58			1,106,056 58
	Franklin County National Bank, Greenfield, Mass.:				
Feb. 28, 1879	To balance of subscriptions	685,683 44	Mar. 1, 1879	By transfer to Treasurer United States	167,141 74
Mar. 8, 1879	Subscription	108,830 63	Mar. 15, 1879	....do	1,220 87
Mar. 15, 1879	....do	204,557 51	Mar. 17, 1879	....do	2,034 05
Mar. 31, 1879	....do	3,331 06	Mar. 28, 1879	....do	17,349 80
Apr. 5, 1870	....do	14,100 51	Apr. 3, 1879	....do	56,732 72
			Apr. 8, 1879	....do	3,884 54
			Apr. 15, 1879	....do	5,509 64
			May 9, 1879	....do	135,802 34
			May 11, 1879	By transfer to assistant treasurer New York	10,000 00
			June 4, 1879	....do	7,118 79
			July 26, 1879	By transfer to Treasurer United States	609,708 66
		1,016,503 15			1,016,503 15
	Pemberton National Bank, Lawrence, Mass.:				
Mar. 8, 1879	Subscription	10,065 75	June 27, 1879	By transfer to Treasurer United States	5,000 00
Apr. 5, 1879	....do	5,000 00	July 5, 1879	....do	10,000 00
Apr. 19, 1879	....do	5,034 32	July 25, 1879	By transfer to assistant treasurer New York	5,100 07
		20,100 07			20,100 07
	Appleton National Bank, Lowell, Mass.:				
Feb. 28, 1879	To balance of subscriptions	3,200 00	Mar. 13, 1879	By transfer to assistant treasurer Boston	500 00
			Mar 21, 1879	....do	1,500 00
			Mar. 29, 1879	....do	1,200 00
		3,200 00			3,200 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, Lynn, Mass.:				
Feb. 28, 1879	To balance of subscriptions	$25,128 77	June 28, 1879	By transfer to assistant treasurer New York	$25,128 77
	First National Bank, Marlboro', Mass.:				
Feb. 28, 1879	To balance of subscriptions	150,695 70	Mar. 4, 1879	By transfer to assistant treasurer Boston	50,339 50
			Apr. 26, 1879	do	5,000 00
			May 5, 1879	do	15,109 60
			May 12, 1879	do	20,000 00
			May 15, 1879	do	10,246 60
			May 19, 1879	do	25,000 00
			July 23, 1879	do	25,000 00
		150,695 70			150,695 70
	The Old Colony National Bank, Plymouth, Mass.:				
Feb. 28, 1879	To balance of subscriptions	201,205 40	July 3, 1879	By transfer to assistant treasurer New York	201,205 40
	Natick National Bank, Natick, Mass.:				
Feb. 28, 1879	To balance of subscriptions	202,016 00	Mar. 13, 1879	By transfer to assistant treasurer Boston	21,500 00
Apr. 19, 1879	Subscription	215,000 00	Mar. 18, 1879	do	12,500 00
Apr. 30, 1879	do	1,475 55	Mar. 29, 1879	do	14,900 00
			Apr. 4, 1879	do	23,000 00
			Apr. 12, 1879	do	49,150 00
			Apr. 17, 1879	do	9,950 00
			Apr. 25, 1879	do	9,500 00
			May 10, 1879	do	10,000 00
			May 12, 1879	do	6,500 00
			May 14, 1879	do	10,000 00
			May 15, 1879	do	6,000 00
			May 26, 1879	do	7,000 00
			June 7, 1879	do	7,109 31
			June 19, 1879	do	135 91
			June 4, 1879	By transfer to Treasurer United States	14,871 96
			June 23, 1879	By transfer to assistant treasurer Boston	45,000 00
			June 25, 1879	do	10,000 00
			July 11, 1879	do	20,000 00
			July 19, 1879	do	40,000 00
			July 26, 1879	do	25,000 00
			July 29, 1879	do	01
			July 31, 1879	do	40,000 00
			Aug. 11, 1879	do	36,374 36
		418,491 55			418,491 55

Pittsfield National Bank, Pittsfield, Mass.:

Feb. 28, 1879	To balance of subscriptions	34,684 17	May 3, 1879	By transfer to assistant treasurer New York	5,000 00
Mar. 8, 1879	Subscription	6,393 26	May 8, 1879	....do	5,000 00
Mar. 15, 1879	....do	2,519 13	May 12, 1879	....do	5,000 00
Mar. 22, 1879	....do	4,033 98	May 14, 1879	....do	5,000 00
Mar. 31, 1879	....do	7,367 77	June 27, 1879	....do	7,000 00
Apr. 5, 1879	....do	11,200 87	July 5, 1879	....do	10,000 00
			July 9, 1879	....do	10,000 00
			July 26, 1879	....do	19,199 18
		66,199 18			66,199 18

First National Bank, Newburyport, Mass.:

Feb. 28, 1879	To balance of subscriptions	1,136,605 90	Mar. 3, 1879	By transfer to assistant treasurer New York	45,889 06
Mar. 8, 1879	Subscription	214,377 27	Mar. 8, 1879	....do	151,101 35
			Mar. 15, 1879	....do	71,046 42
			Mar. 22, 1879	By transfer to assistant treasurer Boston	50,928 77
			Apr. 18, 1879	....do	5,364 80
			Apr. 22, 1879	....do	75,372 56
			May 13, 1879	....do	25,000 00
			May 15, 1879	....do	15,000 00
			May 16, 1879	....do	101,772 42
			May 19, 1879	....do	50,858 27
			May 31, 1879	By transfer to Treasurer United States	5,592 58
			June 3, 1879	....do	13,239 83
			June 14, 1879	....do	88,030 60
			June 15, 1879	....do	25,479 79
			June 17, 1879	....do	38,492 96
			June 25, 1879	....do	1,081 82
			June 30, 1879	By transfer to assistant treasurer New York	100,000 00
			May 31, 1879	By transfer to Treasurer United States	104,178 47
			July 3, 1879	By transfer to assistant treasurer New York	100,000 00
			July 3, 1879	By transfer to Treasurer United States	15,082 44
			July 9, 1879	....do	14,271 07
			July 11, 1879	....do	28,786 38
			July 16, 1879	By transfer to assistant treasurer New York	60,000 00
			July 19, 1879	By transfer to Treasurer United States	23,453 20
			July 22, 1879	By transfer to assistant treasurer New York	100,000 00
			July 24, 1879	By transfer to Treasurer United States	23,421 32
			Aug. 9, 1879	....do	17,539 06
		1,350,983 17			1,350,983 17

First National Bank, Holly, Mich.:

Feb. 28, 1879	To balance of subscriptions	3,000 00	Mar. 8, 1879	By transfer to assistant treasurer New York	3,000 00
Mar. 8, 1879	Subscription	3,022 66	June 27, 1879	....do	3,022 66
		6,022 66			6,022 66

DR. *Bonds authorized by acts of July 14, 1870 and January 20, 1871, issued on coin certificates of deposit, &c.*—Continued. CR.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	First National Bank, Salem, Mass.:				
Feb. 28, 1879	To balance of subscriptions	$412,354 56	Mar. 1, 1879	By transfer to Treasurer United States	$84,437 69
Mar. 8, 1879	Subscription	4,279 63	Mar. 12, 1879	do	106,535 35
Mar. 15, 1879	do	3,225 29	Mar. 21, 1879	do	52,232 25
Mar. 22, 1879	do	504 44	Mar. 21, 1879	By transfer to assistant treasurer New York	20,000 00
Apr. 5, 1879	do	4,600 00	Mar. 27, 1879	do	14,522 02
			Apr. 11, 1879	By transfer to Treasurer United States	44,479 09
			Apr. 18, 1879	do	26,330 25
			Apr. 15, 1879	do	6,020 49
			Apr. 25, 1879	do	8,145 97
			May 13, 1879	do	2,035 47
			Apr. 23, 1879	do	12,923 24
			May 16, 1879	do	9,785 18
			May 19, 1879	do	919 29
			May 26, 1879	do	5,965 49
			June 3, 1879	do	3,682 26
			June 6, 1879	do	2,288 26
			June 17, 1879	do	6,746 68
			June 23, 1879	do	3,062 37
			July 5, 1879	do	3,657 04
			July 11, 1879	do	3,088 27
			Aug. 2, 1879	do	8,107 26
		424,963 92			424,963 92
	Merchants' National Bank, Saint Paul, Minn.:				
Feb. 28, 1879	To balance of subscriptions	76,167 91	Apr. 5, 1879	By transfer to Treasurer United States	57,000 50
			Apr. 26, 1879	do	5,000 00
			May 12, 1879	do	9,665 45
			June 2, 1879	do	4,501 96
		76,167 91			76,167 91
	Omaha National Bank, Omaha, Nebr.:				
Mar. 8, 1879	Subscription	1,007 23	Mar. 8, 1879	By transfer to assistant treasurer New York	1,007 23
Mar. 15, 1879	do	1,007 67	Mar. 11, 1879	do	1,007 67
Mar. 22, 1879	do	100 88	Mar. 21, 1879	do	100 88
Apr. 5, 1879	do	6,100 00	Apr. 5, 1879	do	6,100 00
		8,215 78			8,215 78
	First National Bank, Omaha, Nebr.:				
Feb. 28, 1879	To balance of subscriptions	46,769 60	May 10, 1879	By transfer to assistant treasurer New York	10,037 26

			June 2, 1879	....do	36,732 34
		46,769 60			46,769 60
	First National Bank, Concord, N. H.:				
Feb. 28, 1879	To balance of subscriptions	92,175 46	Mar. 3, 1879	By transfer to assistant treasurer Boston	6,103 12
Mar. 22, 1879	Subscription	16,800 00	Mar. 21, 1879	....do	2,799 78
			Apr. 5, 1879	....do	10,290 77
			Apr. 17, 1879	....do	4,284 15
			May 6, 1879	....do	4,264 45
			May 6, 1879	....do	5,000 00
			May 13, 1879	By transfer to assistant treasurer New York	20,000 00
			May 28, 1879	....do	1,573 75
			June 10, 1879	....do	16,403 11
			June 24, 1879	....do	3,000 00
			June 27, 1879	By transfer to assistant treasurer Boston	5,000 00
			July 5, 1879	....do	10,000 00
			July 11, 1879	....do	10,000 00
			July 16, 1879	By transfer to assistant treasurer New York	6,000 00
			July 17, 1879	By transfer to Treasurer United States	3,554 22
			July 18, 1879	By transfer to assistant treasurer Boston	702 11
		108,975 46			108,975 46
	First National Bank, Manchester, N. H.:				
Feb. 28, 1879	To balance of subscriptions	20,094 26	May 14, 1879	By transfer to assistant treasurer Boston	20,094 26
	National State Capital Bank, Concord, N. H.:				
Feb. 28, 1879	To balance of subscriptions	100,389 05	Apr. 17, 1879	By transfer to assistant treasurer New York	10,000 00
			May 2, 1879	....do	10,164 40
			May 7, 1879	....do	10,000 00
			May 9, 1879	....do	20,000 00
			May 12, 1879	....do	30,000 00
			June 4, 1879	....do	20,224 65
		100,389 05			100,389 05
	Citizens' National Bank, Keene, N. H.:				
Feb. 28, 1879	To balance of subscriptions	20,610 69	Mar. 10, 1879	By transfer to Treasurer United States	5,026 30
Mar. 8, 1879	Subscription	1,258 45	Apr. 18, 1879	....do	5,913 25
Mar. 15, 1879	....do	4,841 51	Apr. 25, 1879	....do	4,000 00
Mar. 22, 1879	....do	3,229 60	May 10, 1879	....do	5,000 00
			June 4, 1879	....do	2,043 01
			June 5, 1879	....do	4,083 67
			June 19, 1879	....do	2,496 63
			July 5, 1879	....do	1,377 39
		29,940 25			29,940 25

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, Portsmouth, N. H.:				
Feb. 28, 1879	To balance of subscriptions	$191,345 70	Mar. 3, 1879	By transfer to assistant treasurer Boston	$156 85
Mar. 8, 1879	Subscription	3,273 05	Mar. 31, 1879	....do	14,498 08
Mar. 15, 1879	....do	4,585 34	Apr. 11, 1879	....do	10,197 26
Mar. 22, 1879	....do	6,102 00	Apr. 18, 1879	....do	13,864 78
Mar. 31, 1879	....do	7,115 47	Apr. 26, 1879	By transfer to assistant treasurer New York	17,197 26
Apr. 5, 1879	....do	9,850 44	May 7, 1879	....do	8,142 51
			May 10, 1879	....do	10,000 00
			May 13, 1879	....do	20,000 00
			May 13, 1879	By transfer to assistant treasurer Boston	5,000 00
			May 15, 1879	....do	10,000 00
			May 16, 1879	....do	15,000 00
			May 17, 1879	By transfer to assistant treasurer New York	31,000 00
			May 29, 1879	By transfer to Treasurer United States	8,155 61
			June 21, 1879	....do	12,249 76
			June 26, 1879	....do	8,168 35
			June 30, 1879	....do	5,000 00
			July 7, 1879	By transfer to assistant treasurer New York	10,000 00
			July 12, 1879	By transfer to assistant treasurer Boston	10,000 00
			July 19, 1879	....do	9,279 75
			July 26, 1879	....do	4,361 79
		222,272 00			222,272 00
	National Bank of New Jersey, New Brunswick, N. J.:				
Feb. 28, 1879	To balance of subscriptions	17,082 49	Apr. 17, 1879	By transfer to assistant treasurer New York	5,000 00
			June 7, 1879	....do	12,082 49
		17,082 49			17,082 49
	City National Bank, Plainfield, N. J.:				
Feb. 28, 1879	To balance of subscriptions	210,892 08	Apr. 8, 1879	By transfer to Treasurer United States	42,632 87
Mar. 15, 1879	Subscription	75,575 25	Apr. 16, 1879	....do	2,792 04
Mar. 31, 1879	....do	5,047 67	May 10, 1879	By transfer to assistant treasurer New York	5,000 00
Apr. 5, 1879	....do	712,155 93	May 13, 1879	....do	20,000 00
			May 14, 1879	....do	20,000 00
			June 20, 1879	By transfer to Treasurer United States	176,369 04
			June 26, 1879	....do	5,000 00
			July 11, 1879	By transfer to assistant treasurer New York	100,000 00
			July 23, 1879	....do	35,000 00
			July 29, 1879	....do	35,000 00
			Aug. 4, 1879	....do	30,357 07
			Aug. 4, 1879	By transfer to Treasurer United States	531,519 91
		1,003,670 93			1,003,670 93

	Lambertville National Bank, Lambertville, N. J.:				
Mar. 22, 1879	Subscription	4,033 76	July 12, 1879	By transfer to Treasurer United States	4,033 76
	National Albany Exchange Bank, Albany, N. Y.:				
Feb. 28, 1879	To balance of subscription	1,808,944 56	Mar. 1, 1879	By transfer to Treasurer United States	50,961 64
Mar. 8, 1879	Subscription	277,277 79	Mar. 3, 1879	....do	16,795 57
Mar. 15, 1879	....do	10,076 71	Mar. 5, 1879	....do	259,451 58
			Mar. 13, 1879	By transfer to assistant treasurer New York	152,500 60
			Mar. 19, 1879	....do	100,778 10
			Mar. 29, 1879	....do	52,907 24
			Apr. 12, 1879	....do	93,348 52
			Apr. 28, 1879	....do	40,000 00
			May 5, 1879	....do	25,000 00
			May 7, 1879	....do	25,000 00
			May 12, 1879	....do	25,000 00
			May 13, 1879	....do	35,000 00
			May 29, 1879	....do	20,736 63
			June 18, 1879	....do	868,380 94
			June 27, 1879	....do	60,000 00
			June 28, 1879	....do	10,660 72
			July 3, 1879	....do	14,580 79
			July 5, 1879	....do	64,275 09
			July 11, 1879	....do	45,000 00
			July 29, 1879	....do	100,000 00
			July 31, 1879	....do	35,921 64
		2,096,299 06			2,096,299 06
	National Ulster County Bank, Kingston, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	7,425 31	Apr. 17, 1879	By transfer to Treasurer United States	4,844 35
Apr. 5, 1879	Subscription	300 00	Apr 24, 1879	....do	186 09
			May 14, 1879	....do	2,694 86
			June 14, 1879	....do	01
		7,725 31			7,725 31
	Bank of New York National Banking Association, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	35,201,286 28	Mar. 5, 1879	By transfer to Treasurer United States	150,595 39
Mar. 8, 1879	Subscription	553,912 45	Mar. 8, 1879	....do	01
Mar. 15, 1879	....do	1,008,000 00	Mar. 14, 1879	By transfer to assistant treasurer San Francisco	209,760 00
Apr. 5, 1879	....do	1,250,104 30	Mar. 20, 1879	By transfer to Treasurer United States	822,818 11
Apr. 19, 1879	....do	12,521,694 50	Mar. 26, 1879	....do	300,977 56
Apr. 19, 1879	....do	62,500 00	Mar. 29, 1879	By transfer to assistant treasurer San Francisco	55,000 00
			Mar. 1, 1879	By transfer to Treasurer United States	61,785 89
			Apr. 2, 1879	....do	82,584 85
			Apr. 6, 1879	....do	51,039 12
			Apr. 9, 1879	....do	371,703 44
			Apr. 12, 1879	By transfer to assistant treasurer San Francisco	75,000 00
			Apr. 16, 1879	By transfer to assistant treasurer New York	212,692 91
			Apr. 18, 1879	....do	105,436 17
			Apr. 18, 1879	....do	1,050,000 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Bank of New York National Banking Association of New York City, N. Y.—Continued.		Apr. 24, 1879	By transfer to assistant treasurer San Francisco	$1,000,000 00
			Apr. 24, 1879	By transfer to assistant treasurer New York	100,000 00
			Apr. 22, 1879	do	354,200 70
			Apr. 23, 1879	do	422,456 00
			May 3, 1879	do	1,050,000 00
			May 6, 1879	do	1,193,879 23
			May 7, 1879	do	1,100,000 00
			May 9, 1879	do	1,100,000 00
			May 12, 1879	do	950,000 00
			May 13, 1879	do	1,900,000 00
			May 15, 1879	do	1,900,000 00
			May 20, 1879	By transfer to assistant treasurer San Francisco	120,000 00
			May 21, 1879	do	150,000 00
			May 23, 1879	By transfer to Treasurer United States	582,153 48
			May 23, 1879	By transfer to assistant treasurer San Francisco	255,000 00
			May 24, 1879	By transfer to Treasurer United States	2,879,482 29
			May 26, 1879	do	1,106,113 20
			May 28, 1879	do	2,047,191 85
			May 29, 1879	do	369,766 81
			June 4, 1879	do	3,920,588 73
			June 9, 1879	By transfer to assistant treasurer San Francisco	45,000 00
			June 10, 1879	By transfer to Treasurer United States	1,908,914 17
			June 14, 1879	do	690,085 77
			June 17, 1879	do	117,022 74
			June 19, 1879	do	588,175 39
			June 21, 1879	do	202,363 69
			June 27, 1879	By transfer to assistant treasurer New York	1,800,000 00
			June 28, 1879	do	1,048,748 77
			July 1, 1879	do	25,000 00
			July 5, 1879	do	500,000 00
			July 7, 1879	do	725,000 00
			July 8, 1879	do	323,212 93
			July 11, 1879	do	937,063 81
			July 19, 1879	do	202,434 75
			July 26, 1879	do	3,507,760 28
			July 28, 1879	do	178,617 12
			July 30, 1879	do	4,552,567 07
			Aug. 1, 1879	do	800,000 00
			Aug. 1, 1879	By transfer to Treasurer United States	219,376 28
			Aug. 4, 1879	do	1,805,522 23
			Aug. 4, 1879	By transfer to assistant treasurer New York	1,500,000 00
			Aug. 6, 1879	do	800,000 00
			Aug. 7, 1879	By transfer to Treasurer United States	40,716 41
			Aug. 8, 1879	do	419,725 57
			Aug. 8, 1879	By transfer to assistant treasurer New York	500,000 00

			Aug. 9, 1879	By transfer to Treasurer United States	332,822 73
			Aug. 11, 1879	By transfer to assistant treasurer New York	370,000 00
			Aug. 14, 1879	By transfer to Treasurer United States	131,458 19
			Aug. 16, 1879	....do	44,174 27
			Aug. 17, 1879	....do	231,509 62
		50,597,497 53			50,597,497 53
	Chase National Bank, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	1,688,830 98	Mar. 5, 1879	By transfer to Treasurer United States	48,672 42
Mar. 8, 1879	Subscription	70,492 07	Mar. 6, 1879	....do	152,749 14
Mar. 15, 1879	....do	1,108 44	Mar. 12, 1879	....do	6,708 46
Apr. 5, 1879	....do	200,049 35	Mar. 13, 1879	....do	305,665 32
Apr. 19, 1879	.... do	500,876 50	Mar. 18, 1879	....do	15,808 51
Apr. 19, 1879	....do	2,500 00	Mar. 25, 1879	....do	4,253 99
			Apr. 2, 1879	....do	91,027 37
			Apr. 10, 1879	....do	101,816 46
			Apr. 17, 1879	....do	20,000 00
			Apr. 19, 1879	....do	105,733 17
			Apr. 25, 1879	By transfer to assistant treasurer New York	50,000 00
			May 3, 1879	....do	50,000 00
			May 7, 1879	....do	50,000 00
			May 9, 1879	....do	50,000 00
			May 13, 1879	....do	20,000 00
			May 14, 1879	....do	40,000 00
			May 15, 1879	....do	40,000 00
			June 4, 1879	By transfer to Treasurer United States	62,196 57
			June 12, 1879	....do	108,598 67
			June 21, 1879	....do	23,490 40
			June 29, 1879	By transfer to assistant treasurer New York	100,000 00
			July 5, 1879	....do	70,000 00
			July 11, 1879	....do	50,000 00
			July 12, 1879	By transfer to Treasurer United States	92,641 36
			July 15, 1879	....do	183,506 80
			July 17, 1879	....do	23,475 26
			July 21, 1879	By transfer to assistant treasurer New York	75,000 00
			July 24, 1879	....do	50,000 00
			July 26, 1879	....do	150,000 00
			July 30, 1879	....do	227,590 43
			Aug. 1, 1879	....do	50,000 00
			Aug. 6, 1879	....do	22,044 38
			Aug. 7, 1879	....do	22,878 63
		2,463,857 34			2,463,857 34
	Chemical National Bank, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	3,210,349 59	Apr. 5, 1879	By transfer to Treasurer United States	287,653 70
			Apr. 18, 1879	By transfer to assistant treasurer New York	80,000 00
			Apr. 25, 1879	....do	50,000 00
			May 3, 1879	....do	50,000 00
			May 6, 1879	By transfer to Treasurer United States	137,285 75
			May 7, 1879	By transfer to assistant treasurer New York	100,000 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Chemical National Bank, New York City, N. Y.—Continued.		May 9, 1879	By transfer to assistant treasurer New York	$100,000 00
			May 12, 1879	do	75,000 00
			May 14, 1879	do	150,000 00
			May 15, 1879	do	150,000 00
			June 5, 1879	do	204,471 24
			June 27, 1879	do	400,000 00
			July 5, 1879	do	420,000 00
			July 11, 1879	do	250,000 00
			July 21, 1879	do	100,000 00
			July 24, 1879	do	125,000 00
			July 26, 1879	do	530,938 90
		$3,210,349 59			3,210,349 59
	Continental National Bank, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	31,270,439 31	Mar. 8, 1879	By transfer to Treasurer United States	50,773 65
Apr. 5, 1879	Subscription	3,500,986 50	Mar. 24, 1879	do	818,541 54
Apr. 19, 1879	do	2,013,506 00	Mar. 25, 1879	do	392,670 48
			Mar. 26, 1879	do	480,805 29
			Mar. 28, 1879	do	2,098,682 65
			Apr. 3, 1879	do	1,286,695 64
			Apr. 4, 1879	By transfer to assistant treasurer New York	1,101,534 19
			Apr. 5, 1879	do	213,547 82
			Apr. 7, 1879	do	784,852 80
			Apr. 15, 1879	do	1,147,388 63
			Apr. 16, 1879	do	582,332 89
			Apr. 18, 1879	do	800,000 00
			Apr. 23, 1879	do	1,502,041 07
			Apr. 25, 1879	do	1,198,040 97
			Apr. 26, 1879	do	837,372 23
			Apr. 30, 1879	By transfer to Treasurer United States	1,759,691 86
			May 3, 1879	By transfer to assistant treasurer New York	800,000 00
			May 7, 1879	By transfer to Treasurer United States	800,000 00
			May 10, 1879	By transfer to assistant treasurer New York	600,000 00
			May 13, 1879	By transfer to Treasurer United States	1,124,200 45
			May 13, 1879	do	10,065 04
			May 14, 1879	do	629,826 04
			May 14, 1879	By transfer to assistant treasurer New York	1,200,000 00
			May 15, 1879	By transfer to Treasurer United States	1,200,000 00
			May 16, 1879	do	28,506 30
			May 17, 1879	do	363,730 54
			May 19, 1879	do	175,886 37
			May 21, 1879	do	1,286,152 63
			May 23, 1879	do	3,047,147 53
			May 24, 1879	do	1,636,626 50

May 27, 1879	do				117, 189 73
June 2, 1879	do				1, 532, 466 76
June 3, 1879	do				532, 029 88
June 4, 1879	do				1, 030, 758 72
June 7, 1879	do				993, 881 72
June 9, 1879	do				660, 013 42
June 14, 1879	do				81, 620 36
June 16, 1879	do				86, 469 17
June 17, 1879	do				410, 871 13
June 27, 1879	do				100, 000 00
June 30, 1879	do				391, 394 02
July 7, 1879	do				515, 546 60
July 9, 1879	do				580, 984 17
July 11, 1879	do				209, 981 35
July 12, 1879	do				1 50
July 15, 1879	do				135, 583 01
July 19, 1879	By transfer to assistant treasurer New York				276, 572 35
July 19, 1879	By transfer to Treasurer United States				220, 000 00
July 24, 1879	By transfer to assistant treasurer New York				571, 000 00
July 24, 1879	By transfer to Treasurer United States				200, 000 00
July 26, 1879	By transfer to Treasurer United States				127, 362 34
Aug. 9, 1879	do				843, 745 10
		36, 784, 931 81			36, 784, 931 81
					690, 815 50
					690, 296 84
					439, 781 39
					119, 734 70
					248, 916 85
					4, 316
					6, 426, 592 74
					912, 323 48
					932, 177 74
					6, 551, 739 49
					12, 138, 625 33
					651, 918 33
					727, 708 92
					509, 622 50
					255, 043 50
					200, 000 00
					356, 553 33
					1, 629, 998 14
					521, 501 56
					727, 014 89
					725, 511 89
					3, 616, 239 72
					500, 000 00
					1, 000, 000 00
					1, 000, 000 00
					1, 000, 000 00

Feb. 28, 1879	First National Bank New York City, N. Y.:			
Mar. 8, 1879	To balance of subscriptions	69, 907, 785 14	Mar. 3, 1879	By transfer to Treasurer United States
Mar. 15, 1879	Subscriptions	5, 024, 302 00	Mar. 4, 1879	do
Mar. 31, 1879	do	3, 025, 453 00	Mar. 11, 1879	do
Apr. 5, 1879	do	3, 038, 355 00	Mar. 12, 1879	do
Apr. 30, 1879	do	4, 003, 509 00	Mar. 14, 1879	do
	do	12, 403, 599 00	May 15, 1879	do
	do	121, 817, 163 82	Mar. 19, 1879	do
			Mar. 20, 1879	do
			Mar. 21, 1879	do
			Mar. 31, 1879	do
			Apr. 5, 1879	do
			Apr. 8, 1879	do
			Apr. 10, 1879	do
			Apr. 16, 1879	do
			Apr. 17, 1879	By transfer to assistant treasurer New York
			Apr. 17, 1879	By transfer to Treasurer United States
			Apr. 17, 1879	do
			Apr. 19, 1879	do
			Apr. 22, 1879	do
			Apr. 26, 1879	do
			Apr. 28, 1879	do
			Apr. 30, 1879	do
			May 8, 1879	By transfer to assistant treasurer New York
			May 9, 1879	do
			May 12, 1879	do
			May 13, 1879	do
			May 14, 1879	do

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, New York City, N. Y.—Cont'd.		May 15, 1879	By transfer to assistant treasurer New York	$1,000,000 00
			May 17, 1879	do	1,000,000 00
			May 17, 1879	By transfer to Treasurer United States	597,246 46
			May 23, 1879	do	841,576 73
			May 24, 1879	do	789,660 14
			May 27, 1879	do	15,471,197 12
			May 29, 1879	By transfer to assistant treasurer New York	2,349,756 14
			May 31, 1879	By transfer to assistant treasurer San Francisco	102,312 50
			June 3, 1879	By transfer to Treasurer United States	1,257,621 84
			June 4, 1879	do	57,568 50
			June 5, 1879	do	775,782 42
			June 6, 1879	By transfer to assistant treasurer New York	10,810,035 75
			June 7, 1879	By transfer to Treasurer United States	434,397 16
			June 13, 1879	do	3,576,388 02
			June 14, 1879	do	6,054,246 09
			June 17, 1879	do	2,004,681 43
			June 17, 1879	By transfer to assistant treasurer San Francisco	51,875 00
			June 19, 1879	By transfer to Treasurer United States	4,205,369 68
			June 21, 1879	do	3,749,374 36
			June 26, 1879	By transfer to assistant treasurer New York	500,000 00
			June 27, 1879	do	1,000,000 00
			June 27, 1879	By transfer to Treasurer United States	12,307,795 68
			June 28, 1879	By transfer to assistant treasurer New York	1,000,000 00
			July 3, 1879	do	1,500,000 00
			July 5, 1879	do	500,000 00
			July 5, 1879	By transfer to Treasurer United States	4,527,741 44
			July 7, 1879	By transfer to assistant treasurer New York	1,000,000 00
			July 10, 1879	do	1,000,000 00
			July 11, 1879	do	500,000 00
			July 12, 1879	do	2,000,000 00
			July 12, 1879	By transfer to Treasurer United States	857,272 35
			July 14, 1879	By transfer to assistant treasurer New York	1,000,000 00
			July 19, 1879	do	500,000 00
			July 21, 1879	do	1,000,000 00
			July 22, 1879	do	2,000,000 00
			July 23, 1879	do	2,000,000 00
			July 23, 1879	By transfer to Treasurer United States	5,166,928 87
			July 25, 1879	By transfer to assistant treasurer New York	4,000,000 00
			July 26, 1879	By transfer to Treasurer United States	5,257,795 09
			July 29, 1879	By transfer to assistant treasurer New York	3,000,000 00
			July 30, 1879	By transfer to Treasurer United States	1,018,992 76
			July 31, 1879	By transfer to assistant treasurer New York	8,500,000 00
			Aug. 2, 1879	do	8,000,000 00
			Aug. 6, 1879	do	1,192,639 13
			Aug. 6, 1879	By transfer to Treasurer United States	3,626,025 70

Aug. 8, 1879	By transfer to assistant treasurer New York	7,000,000 00
Aug. 9, 1879	By transfer to Treasurer United States	427,966 44
Aug. 11, 1879	By transfer to assistant treasurer New York	2,500,000 00
Aug. 14, 1879	By transfer to assistant treasurer New York	500,000 00
Aug. 16, 1879	....do	1,000,000 00
Aug. 16, 1879	By transfer to Treasurer United States	2,836,801 82
Aug. 18, 1879	....do	1,368,188 32
Aug. 21, 1879	By transfer to assistant treasurer New York	1,465,500 00
Aug. 22, 1879	By transfer to assistant treasurer San Francisco	5,100 00
Aug. 23, 1879	By transfer to assistant treasurer New York	799,200 00
Aug. 23, 1879	By transfer to Treasurer United States	2,753,571 79
Aug. 25, 1879	By transfer to assistant treasurer New York	320,000 00
Aug. 25, 1879	By transfer to assistant treasurer San Francisco	5,125 00
Aug. 27, 1879	By transfer to assistant treasurer New York	752,000 00
Aug. 27, 1879	By transfer to Treasurer United States	277,710 15
Aug. 28, 1879	....do	1,141,255 18
Aug. 29, 1879	....do	800,988 58
Aug. 30, 1879	By transfer to assistant treasurer New York	1,126,000 00
Sept. 1, 1879	By transfer to treasurer United States	82,542 33
Sept. 1, 1879	By transfer to assistant treasurer New York	312,000 00
Sept. 2, 1879	....do	325,000 00
Sept. 3, 1879	....do	331,000 00
Sept. 3, 1879	By transfer to assistant treasurer San Francisco	1,022 50
Sept. 4, 1879	By transfer to Treasurer United States	161,650 00
Sept. 4, 1879	By transfer to assistant treasurer New York	328,000 00
Sept. 5, 1879	....do	424,000 00
Sept. 5, 1879	By transfer to Treasurer United States	305,712 33
Sept. 6, 1879	By transfer to assistant treasurer New York	330,000 00
Sept. 8, 1879	By transfer to Treasurer United States	50,952 05
Sept. 9, 1879	By transfer to assistant treasurer New York	340,000 00
Sept. 10, 1879	....do	339,000 00
Sept. 11, 1879	....do	375,000 00
Sept. 12, 1879	....do	375,000 00
Sept. 12, 1879	By transfer to assistant treasurer San Francisco	3,391 87
Sept. 12, 1879	By transfer to Treasurer United States	178,175 00
Sept. 13, 1879	By transfer to assistant treasurer New York	376,000 00
Sept. 15, 1879	By transfer to assistant treasurer San Francisco	2,025 00
Sept. 15, 1879	By transfer to assistant treasurer New York	375,000 00
Sept. 16, 1879	....do	374,000 00
Sept. 16, 1879	By transfer to Treasurer United States	1,180,018 49
Sept. 17, 1879	By transfer to assistant treasurer San Francisco	10,125 00
Sept. 17, 1879	By transfer to assistant treasurer New York	373,000 00
Sept. 18, 1879	....do	375,000 00
Sept. 19, 1879	....do	372,000 00
Sept. 19, 1879	By transfer to Treasurer United States	1,280,119 40
Sept. 20, 1879	By transfer to assistant treasurer New York	369,000 00
Sept. 22, 1879	....do	370,000 00
Sept. 23, 1879	....do	368,000 00
Sept. 24, 1879	....do	118,000 00
Sept. 24, 1879	By transfer to assistant treasurer San Francisco	250,000 00
Sept. 25, 1879	By transfer to assistant treasurer New York	368,000 00
Sept. 26, 1879	....do	368,000 00

DR. *Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.*—Continued. CR.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	First National Bank, New York City, N. Y.—Cont'd.		Sept. 27, 1879	By transfer to assistant treasurer New York	$369,000 00
			Sept. 29, 1879	....do	357,774 05
			Sept. 29, 1879	By transfer to Treasurer United States	651,306 37
			Sept. 30, 1879	....do	543,350 00
			Sept. 30, 1879	By transfer to assistant treasurer New York	3,351,300 00
			Oct. 6, 1879	By transfer to Treasurer United States	388,757 39
			Oct. 9, 1879	....do	424,161 14
			Oct. 13, 1879	....do	279,504 81
			Oct. 17, 1879	....do	15,027 59
			Oct. 23, 1879	....do	358,868 70
			Oct. 24, 1879	....do	693,188 39
			Oct. 28, 1879	....do	68,638 56
			Oct. 30, 1879	....do	595,821 50
			Nov. 5, 1879	....do	10,502 80
			Nov. 10, 1879	....do	143,134 74
			Nov. 13, 1879	....do	191,447 20
			Nov. 15, 1879	....do	125,046 88
			Nov. 19, 1879	....do	307,450 30
		$215,824,567 96			215,824,567 96
	Hanover National Bank, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	16,873,361 32	Mar. 29, 1879	By transfer to Treasurer United States	216,223 92
Mar. 8, 1879	Subscription	8,564 33	Apr. 2, 1879	....do	701,519 50
Apr. 5, 1879	....do	1,153,253 05	Apr. 5, 1879	....do	116,526 35
			Apr. 9, 1879	....do	25,545 32
			Apr. 11, 1879	....do	877,424 44
			Apr. 16, 1879	....do	406,756 97
			Apr. 17, 1879	....do	680,170 90
			Apr. 22, 1879	By transfer to assistant treasurer New York	853,612 76
			Apr. 24, 1879	....do	560,000 00
			May 2, 1879	....do	350,000 00
			May 6, 1879	....do	859,186 53
			May 8, 1879	....do	400,000 00
			May 12, 1879	....do	450,000 00
			May 13, 1879	....do	900,000 00
			May 14, 1879	....do	900,000 00
			May 28, 1879	By transfer to Treasurer United States	205,162 16
			May 29, 1879	....do	213,304 83
			June 10, 1879	....do	516,128 21
			June 11, 1879	....do	947,869 47
			June 21, 1879	....do	1,635,709 68
			June 26, 1879	By transfer to assistant treasurer New York	1,000,000 00
			July 3, 1879	....do	800,000 00
			July 8, 1879	By transfer to Treasurer United States	867,646 43

			July 10, 1879	By transfer to assistant treasurer New York	800,000 00
			July 11, 1879	By transfer to Treasurer United States	23,613 15
			July 19, 1879	By transfer to assistant treasurer New York	175,000 00
			July 23, 1879	....do	300,000 00
			July 24, 1879	....do	464,245 58
			July 25, 1879	....do	800,000 00
			July 29, 1879	....do	270,000 00
			July 31, 1879	....do	100,000 00
			Aug. 1, 1879	....do	30,571 23
			Aug. 2, 1879	....do	300,000 00
			Aug. 6, 1879	....do	288,961 27
		18,035,178 70			18,035,178 70
	National Bank of Commerce, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	12,129,216 52	Mar. 15, 1879	By transfer to assistant treasurer New York	307,945 66
Mar. 8, 1879	Subscription	1,007,068 52	Mar. 28, 1879	....do	85,871 22
Mar. 31, 1879	....do	454,389 04	Apr. 17, 1879	....do	250,000 00
Apr. 5, 1879	....do	2,000,000 00	Apr. 24, 1879	....do	500,000 00
Apr. 19, 1879	....do	30,009,863 01	May 2, 1879	....do	285,000 00
			May 6, 1879	....do	500,000 00
			May 8, 1879	....do	500,000 00
			May 10, 1879	....do	350,000 00
			May 13, 1879	....do	800,000 00
			May 14, 1879	....do	1,000,000 00
			June 26, 1879	....do	1,800,000 00
			July 3, 1879	....do	2,300,000 00
			July 10, 1879	....do	1,500,000 00
			July 19, 1879	....do	2,500,000 00
			July 31, 1879	....do	13,800,000 00
			Aug. 9, 1879	....do	9,000,000 00
			Aug. 16, 1879	....do	2,500,000 00
			Aug. 23, 1879	....do	794,300 00
			Aug. 30, 1879	....do	1,239,000 00
			Aug. 30, 1879	By transfer to Treasurer United States	22,700 24
			Sept. 1, 1879	....do	274,096 59
			Sept. 1, 1879	By transfer to assistant treasurer New York	198,000 00
			Sept. 2, 1879	....do	188,000 00
			Sept. 2, 1879	By transfer to Treasurer United States	55,561 92
			Sept. 3, 1879	By transfer to assistant treasurer New York	175,000 00
			Sept. 4, 1879	....do	174,000 00
			Sept. 5, 1879	....do	172,000 00
			Sept. 5, 1879	By transfer to Treasurer United States	191,690 56
			Sept. 6, 1879	By transfer to assistant treasurer New York	225,000 00
			Sept. 8, 1879	....do	170,000 00
			Sept. 9, 1879	....do	160,000 00
			Sept. 9, 1879	By transfer to Treasurer United States	214,017 91
			Sept. 10, 1879	By transfer to assistant treasurer New York	161,000 00
			Sept. 11, 1879	....do	177,000 00
			Sept. 11, 1879	By transfer to Treasurer United States	39,944 24
			Sept. 12, 1879	....do	327,496 12
			Sept. 12, 1879	By transfer to assistant treasurer New York	155,000 00

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	National Bank of Commerce, New York City, N. Y.—Continued.		Sept. 13, 1879	By transfer to assistant treasurer New York	$154,000 00
			Sept. 15, 1879	....do	155,000 00
			Sept. 16, 1879	....do	143,000 00
			Sept. 16, 1879	By transfer to Treasurer United States	359,489 06
			Sept. 17, 1879	By transfer to assistant treasurer New York	142,000 00
			Sept. 18, 1879	....do	140,000 00
			Sept. 19, 1879	....do	118,000 00
			Sept. 20, 1879	....do	117,000 00
			Sept. 20, 1879	By transfer to Treasurer United States	133,947 83
			Sept. 22, 1879	By transfer to assistant treasurer New York	116,000 00
			Sept. 23, 1879	....do	98,000 00
			Sept. 24, 1879	....do	98,000 00
			Sept. 25, 1879	....do	98,000 00
			Sept. 26, 1879	....do	51,000 00
			Sept. 27, 1879	....do	53,000 00
			Sept. 27, 1879	By transfer to Treasurer United States	344,398 95
			Oct. 2, 1879	....do	487,076 79
		$45,600,537 09			45,600,537 09
	National Bank of the State of New York, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	27,608,588 23	Mar. 6, 1879	By transfer to Treasurer United States	555,756 05
Mar. 8, 1879	Subscription	50,334 25	Mar. 7, 1879	By transfer to assistant treasurer New York	725,396 17
Mar. 15, 1879	....do	816,223 54	Mar. 12, 1879	....do	100,789 01
Apr. 5, 1879	....do	2,000,273 91	Mar. 15, 1879	....do	151,249 31
Apr. 19, 1879	....do	12,081,038 04	Mar. 18, 1879	....do	262,509 59
June 14, 1879	....do	1 37	Mar. 20, 1879	....do	559,649 08
			Mar. 21, 1879	....do	100,887 67
			Mar. 25, 1879	....do	302,750 69
			Apr. 1, 1879	....do	34,500 00
			Apr. 2, 1879	....do	1,532,019 43
			Apr. 5, 1879	....do	240,235 63
			Apr. 8, 1879	By transfer to Treasurer United States	201,928 77
			Apr. 11, 1879	....do	44,295 78
			Apr. 15, 1879	....do	138,018 92
			Apr. 17, 1879	....do	707,833 41
			Apr. 18, 1879	By transfer to assistant treasurer New York	800,000 00
			Apr. 21, 1879	By transfer to Treasurer United States	926,089 62
			Apr. 24, 1879	By transfer to assistant treasurer New York	250,000 00
			Apr. 26, 1879	By transfer to Treasurer United States	501,506 86
			Apr. 28, 1879	....do	93,719 86
			May 1, 1879	....do	27,002 52
			May 3, 1879	By transfer to assistant treasurer New York	400,000 00
			May 6, 1879	By transfer to Treasurer United States	3,549,592 50

			May 7, 1879	By transfer to assistant treasurer New York	300,000 00
			May 9, 1879	do	300,000 00
			May 12, 1879	do	600,000 00
			May 14, 1879	do	1,200,000 00
			May 15, 1879	do	1,200,000 00
			May 19, 1879	By transfer to Treasurer United States	277,290 25
			May 23, 1879	do	3,900,733 23
			May 28, 1879	do	1,025,543 79
			June 3, 1879	do	2,349,850 30
			June 4, 1879	do	671,732 82
			June 6, 1879	do	311,706 16
			June 7, 1879	do	686,781 35
			June 10, 1879	do	209,381 47
			June 13, 1879	do	1,431,418 88
			June 16, 1879	do	420,392 34
			June 21, 1879	do	431,336 50
			June 26, 1879	do	257,392 75
			June 27, 1879	do	350,000 00
			July 5, 1879	By transfer to assistant treasurer New York	250,000 00
			July 11, 1879	By transfer to Treasurer United States	2,016,596 14
			July 11, 1879	By transfer to assistant treasurer New York	350,000 00
			July 15, 1879	By transfer to Treasurer United States	500,577 62
			July 21, 1879	do	600,000 00
			July 23, 1879	do	458,568 49
			July 26, 1879	By transfer to assistant treasurer New York	1,550,000 00
			July 26, 1879	By transfer to Treasurer United States	540,641 78
			July 30, 1879	By transfer to assistant treasurer New York	800,000 00
			July 30, 1879	By transfer to Treasurer United States	903,174 88
			Aug. 1, 1879	do	1,951,435 17
			Aug. 1, 1879	By transfer to assistant Treasurer New York	1,000,000 00
			Aug. 2, 1879	By transfer to Treasurer United States	884,626 55
			Aug. 4, 1879	By transfer to assistant treasurer New York	1,000,000 00
			Aug. 5, 1879	do	800,000 00
			Aug. 7, 1879	By transfer to Treasurer United States	362,445 93
			Aug. 8, 1879	By transfer to assistant treasurer New York	675,000 00
			Aug. 11, 1879	do	684,111 07
		42,556,459 34			42,556,459 34
	National Broadway Bank, New York City, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	1,204,471 20	Apr. 12, 1879	By transfer to assistant treasurer New York	204,471 20
			May 8, 1879	do	100,000 00
			May 12, 1879	do	45,000 00
			May 14, 1879	do	100,000 00
			May 15, 1879	do	100,000 00
			June 27, 1879	do	130,000 00
			July 5, 1879	do	130,000 00
			July 11, 1879	do	100,000 00
			July 25, 1879	do	295,000 00
		1,204,471 20			1,204,471 20

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
Dr.			Cr.		
	National Park Bank, New York City, N. Y.:	$30,095 34	Mar. 6, 1879	By transfer to assistant treasurer New York	$30,095 34
Mar. 8, 1879	Subscription	200,252 00	Apr. 17, 1879	By transfer to assistant treasurer New York	20,000 00
	New York National Exchange Bank, New York City, N. Y.:		Apr. 25, 1879	do	20,000 00
Feb. 28, 1879	To balance of subscriptions	50,000 00	May 3, 1879	do	30,252 00
Apr. 5, 1879	Subscription		May 7, 1879	do	25,000 00
			May 9, 1879	do	25,000 00
			May 10, 1879	do	5,000 00
			May 13, 1879	do	10,000 00
			May 14, 1879	do	10,000 00
			June 26, 1879	do	10,000 00
			July 3, 1879	do	25,000 00
			July 10, 1879	do	35,000 00
			July 21, 1879	do	35,000 00
		250,252 00			250,252 00
	Second National Bank, New York City, N. Y.:	3,716,044 15	Mar. 1, 1879	By transfer to assistant treasurer New York	27,204 17
Feb. 28, 1879	To balance of subscriptions		Mar. 3, 1879	do	324,867 13
			Mar. 7, 1879	do	50,367 10
			Mar. 10, 1879	do	46,574 68
			Mar. 13, 1879	do	29,510 08
			Mar. 18, 1879	do	274,199 18
			Mar. 31, 1879	do	50,879 45
			Apr. 4, 1879	do	973,145 83
			Apr. 12, 1879	do	329,693 87
			Apr. 16, 1879	do	15,000 00
			Apr. 18, 1879	do	100,000 00
			Apr. 25, 1879	By transfer to Treasurer United States	144,436 13
			Apr. 25, 1879	do	21,354 84
			Apr. 30, 1879	do	17,217 48
			May 3, 1879	By transfer to assistant treasurer New York	25,000 00
			May 21, 1879	do	1,286,594 21
		3,716,044 15			3,716,044 15
	First National Bank, Ocean, N. Y.:	55,516 57	Mar. 5, 1879	By transfer to assistant treasurer New York	3,700 70
Feb. 28, 1879	To balance of subscriptions	1,844 01	Apr. 3, 1879	do	528 75
Mar. 15, 1879	Subscription	1,000 23	Apr. 21, 1879	do	46,471 25
Apr. 5, 1879	do		Apr. 22, 1879	do	289 09

			Apr. 23, 1879	do	5,000 00
			July 16, 1879	do	2,331 70
			Aug. 19, 1879	do	9 32
		58,330 81			58,330 81
	Exchange National Bank, Olean, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	10,030 00	June 28, 1879	By transfer to assistant treasurer New York	10,030 00
	Wilber National Bank, Oneonta, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	40,134 68	Apr. 11, 1879	By transfer to Teasurer United States	74,572 00
Mar. 15, 1879	Subscription	73,344 04	Apr. 18, 1879	do	5,006 03
			May 9, 1879	By transfer to assistant treasurer New York	15,000 00
			June 28, 1879	do	18,900 69
		113,478 72			113,478 72
	Fallkill National Bank, Poughkeepsie, N. Y.				
Feb. 28, 1879	To balance of subscriptions	141,398 17	Apr. 3, 1879	By transfer to assistant treasurer New York	1,521 61
			Apr. 9, 1879	do	10,000 00
			Apr. 11, 1879	do	5,111 78
			Apr. 16, 1879	do	7,134 63
			Apr. 17, 1879	do	3,554 66
			Apr. 22, 1879	do	507 97
			May 3, 1879	do	1,373 59
			May 14, 1879	do	60,986 30
			June 18, 1879	do	14,695 89
			June 27, 1879	do	5,000 00
			June 28, 1879	do	7,177 20
			July 3, 1879	do	10,000 00
			July 5, 1879	By transfer to Treasurer United States	1,030 33
			July 11, 1879	By transfer to assistant treasurer New York	13,304 21
		141,398 17			141,398 17
	First National Bank, Syracuse, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	64,188 01	Mar. 4, 1879	By transfer to assistant treasurer New York	610 71
			Mar. 31, 1879	do	5,917 34
			Apr. 3, 1879	do	203 69
			Apr. 18, 1879	do	1,067 26
			Apr. 25, 1879	do	9,660 85
			May 22, 1879	do	204 19
			May 24, 1879	do	2,539 04
			May 31, 1879	do	7,117 21
			June 19, 1879	do	24,702 50
			July 3, 1879	do	4,892 11
			July 14, 1879	do	819 85
			July 25, 1879	do	6,453 26
		64,188 01			64,188 01

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued in coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Second National Bank, Utica, N. Y.:				
Feb. 28, 1879	To balance of subscriptions	$100,328 77	Mar. 26, 1879	By transfer to Treasurer United States	$11,040 41
			Apr. 21, 1879	....do	50,764 38
			June 20, 1879	....do	2,544 95
			June 27, 1879	....do	15,000 00
			July 3, 1879	....do	514 71
			July 9, 1879	....do	1,026 63
			July 11, 1879	....do	10,000 00
			July 15, 1879	....do	5,152 47
			July 22, 1879	....do	4,285 22
		100,328 77			100,328 77
	First National Bank, Athens, Ohio:				
Mar. 15, 1879	Subscription	20,000 00	Mar. 22, 1879	By transfer to Treasurer United States	15,221 92
Mar. 22, 1879	....do	403 55	Mar. 24, 1879	....do	403 55
Apr. 5, 1879	....do	300 00	May 8, 1879	....do	1,500 00
			May 13, 1879	....do	1,800 19
			May 19, 1879	....do	1,020 13
			May 21, 1879	....do	51 08
			May 23, 1879	....do	510 27
			June 23, 1879	....do	196 41
		20,703 55			20,703 55
	First National Bank, Bellaire, Ohio:				
Feb. 28, 1879	To balance of subscriptions	20,055 56	Apr. 1, 1879	By transfer to Treasurer United States	612 25
			May 6, 1879	....do	2,034 03
			June 4, 1879	....do	407 43
			June 30, 1879	....do	5,000 00
			July 21, 1879	....do	11,486 60
			July 24, 1879	....do	515 25
		20,055 56			20,055 56
	First National Bank, Bridgeport, Ohio:				
Feb. 28, 1879	To balance of subscriptions	50,238 35	Mar. 28, 1879	By transfer to Treasurer United States	2,037 15
			Apr. 1, 1879	....do	15,661 23
			June 5, 1879	By transfer to assistant treasurer New York	5,000 00
			June 27, 1879	....do	5,000 00
			July 5, 1879	....do	10,000 00
			July 12, 1879	....do	12,539 97
		50,238 35			50,238 35

	First National Bank, Chillicothe, Ohio:				
Feb. 28, 1879	To balance of subscriptions	99,144 00	Mar. 21, 1879	By transfer to Treasurer United States	7,893 71
Mar. 31, 1879	Subscription	15,140 00	Apr. 5, 1879	....do	7,893 71
			Apr. 25, 1879	....do	5,000 00
			May 5, 1879	By transfer to assistant treasurer New York	5,000 00
			May 12, 1879	....do	5,000 00
			May 31, 1879	By transfer to Treasurer United States	5,942 61
			June 21, 1879	....do	11,186 89
			June 27, 1879	By transfer to assistant treasurer New York	12,000 00
			July 5, 1879	....do	12,000 00
			July 11, 1879	....do	12,000 00
			July 14, 1879	By transfer to Treasurer United States	4,934 79
			July 26, 1879	By transfer to assistant treasurer New York	2,363 14
			July 28, 1879	....do	23,069 15
		114,284 00			114,284 00
	First National Bank, Cincinnati, Ohio:				
Feb. 28, 1879	To balance of subscriptions	831,264 24	Mar. 5, 1879	By transfer to Treasurer United States	130,440 10
Apr. 5, 1879	Subscription	50,016 40	Mar. 21, 1879	....do	194,385 20
			Mar. 31, 1879	....do	185,335 10
			Apr. 5, 1879	....do	89,523 44
			Apr. 12, 1879	....do	165,302 08
			Apr. 26, 1879	....do	5,100 19
			July 19, 1879	....do	111,194 53
		881,280 64			881,280 64
	Third National Bank, Cincinnati, Ohio:				
Feb. 28, 1879	To balance of subscriptions	662,078 68	Mar. 3, 1879	By transfer to Treasurer United States	26,329 93
Mar. 15, 1879	Subscription	264,902 30	Mar. 8, 1879	....do	100,295 90
Apr. 19, 1879	....do	1,006,753 00	Mar. 17, 1879	....do	51,076 71
			Mar. 21, 1879	....do	84,717 65
			Mar. 28, 1879	....do	45,764 22
			Mar. 29, 1879	....do	80,575 46
			Apr. 4, 1879	....do	97,162 94
			Apr. 10, 1879	....do	1,788 10
			Apr. 17, 1879	....do	138,624 67
			Apr. 18, 1879	....do	51,616 41
			May 14, 1879	....do	25,038 38
			May 24, 1879	....do	140,654 18
			May 28, 1879	....do	8,992 83
			June 4, 1879	....do	178,039 34
			June 21, 1879	....do	135,715 79
			June 30, 1879	....do	61,274 25
			July 5, 1879	....do	8,000 00
			July 14, 1879	....do	579,837 26
			July 18, 1879	....do	33,628 36
			July 25, 1879	....do	9,171 37

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	DR.				**CR.**
Apr. 19, 1879	Third National Bank, Cincinnati, Ohio—Continued:		July 28, 1879	By transfer to treasurer United States	$74,383 29
			Aug. 4, 1879	By transfer to assistant treasurer New York	1,046 94
		$1,933,733 98			1,933,733 98
	Fourth National Bank, Cincinnati, Ohio:				
Feb. 28, 1879	To balance of subscriptions	856,140 83	Mar. 1, 1879	By transfer to assistant treasurer New York	25,001 98
Mar. 8, 1879	Subscription	755,205 27	Mar. 3, 1879	do	13,383 12
Apr. 5, 1879	do	250,082 25	Mar. 5, 1879	do	7,016 45
			Mar. 15, 1879	do	281,336 92
			Mar. 25, 1879	do	247,884 11
			Mar. 27, 1879	do	157,577 48
			Apr. 1, 1879	do	75,887 77
			Apr. 8, 1879	do	33,115 42
			Apr. 16, 1879	do	56,579 23
			Apr. 18, 1879	do	148,718 25
			Apr. 21, 1879	do	40,192 78
			Apr. 22, 1879	do	13,603 58
			Apr. 23, 1879	do	40,168 31
			Apr. 25, 1879	do	80,551 44
			Apr. 25, 1879	By transfer to Treasurer United States	67,222 50
			May 13, 1879	do	52,764 10
			May 13, 1879	do	1,019 73
			May 14, 1879	do	70,711 46
			May 16, 1879	do	84,802 24
			May 17, 1879	By transfer to assistant treasurer New York	50,000 00
			May 17, 1879	By transfer to Treasurer United States	70,802 61
			May 23, 1879	do	34,909 61
			May 24, 1879	do	47,686 25
			May 28, 1879	do	150,223 06
			July 3, 1879	do	1,269 95
		1,861,428 35			1,861,428 35
	Merchants' National Bank, Cleveland, Ohio:				
Mar. 8, 1879	Subscription	301,874 10	Mar. 27, 1879	By transfer to assistant treasurer New York	100,624 70
			Apr. 19, 1879	do	50,312 35
			May 23, 1879	do	150,937 05
		301,874 10			301,874 10
	Merchants' National Bank, Dayton, Ohio:				
Feb. 28, 1879	To balance of subscriptions	5,531 95	Apr. 3, 1879	By transfer to Treasurer United States	810 51
Mar. 8, 1879	Subscription	2,517 13	Apr. 12, 1879	do	713 15
Mar. 15, 1879	do	1,813 68	Apr. 17, 1879	do	101 69

Mar. 31, 1879	....do	1,200 00	Apr. 18, 1879	....do	408 15
Apr. 5, 1879	....do	6,150 00	Apr. 25, 1879	....do	3,454 17
			May 14, 1879	....do	815 13
			May 22, 1879	....do	1,015 62
			May 24, 1879	....do	2,036 17
			May 28, 1879	....do	561 43
			May 30, 1879	....do	1,030 49
			June 2, 1879	....do	1,690 79
			June 4, 1879	....do	509 62
			June 21, 1879	....do	1,779 37
			June 30, 1879	By transfer to assistant treasurer New York	2,586 72
		17,512 76			17,512 76
	First National Bank, Newark, Ohio:				
Feb. 28, 1879	To balance of subscriptions	20,075 56	Mar. 12, 1879	By transfer to Treasurer United States	12,739 83
Mar. 8, 1879	Subscription	15,103 55	Mar. 24, 1879	....do	15,296 63
			June 6, 1879	....do	7,142 65
		35,179 11			35,179 11
	Farmers' National Bank, Ripley, Ohio:				
Feb. 28, 1879	To balance of subscriptions	1,000 00	Mar. 6, 1879	By transfer to assistant treasurer Cincinnati	1,000 00
	Lagonda National Bank, Springfield, Ohio:				
Feb. 28, 1879	To balance of subscriptions	11,332 48	Mar. 19, 1879	By transfer to assistant treasurer Cincinnati	1,058 98
Mar. 8, 1879	Subscription	856 12	Mar. 26, 1879	....do	100 93
Mar. 22, 1879	....do	25,211 96	Apr. 12, 1879	....do	7,179 51
Mar. 31, 1879	....do	10,083 29	Apr. 17, 1879	....do	17,917 64
Apr. 5, 1879	....do	1,200 00	Apr. 21, 1879	....do	10,180 82
			June 17, 1879	By transfer to Treasurer United States	3,025 16
			June 12, 1879	....do	8,161 83
			Aug. 11, 1879	By transfer to assistant treasurer New York	1,058 98
		48,683 85			48,683 85
	First National Bank, Toledo, Ohio:				
Feb. 28, 1879	To balance of subscriptions	2,007 55	May 12, 1879	By transfer to assistant treasurer New York	2,007 55
	First National Bank, Portland, Oreg.:				
Feb. 28, 1879	To balance of subscriptions	100,635 60	Mar. 7, 1879	By transfer to assistant treasurer San Francisco	103,153 15
Mar. 8, 1879	Subscription	2,517 55	Mar. 15, 1879	....do	1,797 10
Mar. 15, 1879	....do	101,797 10	Apr. 5, 1879	....do	757 12
Mar. 31, 1879	....do	757 12	June 3, 1879	....do	25,000 00
			June 6, 1879	....do	75,000 00
		205,707 37			205,707 37

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	First National Bank, Connellsville, Pa.:				
Feb. 28, 1879	To balance of subscriptions	$14,586 01	Mar. 14, 1879	By transfer to assistant treasurer New York	$810 57
Mar. 15, 1879	Subscription	100 81	Apr. 10, 1879	....do	2,097 31
Mar. 31, 1879	....do	250 00	Apr. 25, 1879	....do	3,000 00
Apr. 5, 1879	....do	200 04	May 21, 1879	....do	5,000 00
			May 27, 1879	....do	4,228 98
		15,136 86			15,136 86
	Honesdale National Bank, Honesdale, Pa.:				
Feb. 28, 1879	To balance of subscriptions	86,569 44	Mar. 8, 1879	By transfer to assistant treasurer New York	10,000 00
Mar. 8, 1879	Subscription	12,085 15	Apr. 2, 1879	....do	1,830 37
			Apr. 19, 1879	....do	3,051 02
			Apr. 26, 1879	....do	8,327 09
			May 5, 1879	....do	10,000 00
			May 7, 1879	....do	5,000 00
			May 9, 1879	....do	10,000 00
			May 28, 1879	....do	38,000 00
			May 29, 1879	....do	1,992 23
			June 5, 1879	....do	1,014 79
			June 25, 1879	....do	7,331 32
			July 5, 1879	....do	618 19
			July 16, 1879	....do	1,078 15
			July 25, 1879	....do	411 43
		98,654 59			98,654 59
	Tradesmen's National Bank, Pittsburgh, Pa.:				
Feb. 28, 1879	To balance of subscriptions	537,914 17	Mar. 5, 1879	By transfer to assistant treasurer New York	12,552 98
Mar. 8, 1879	Subscription	62,922 74	Mar. 18, 1879	....do	2,545 44
Mar. 15, 1879	....do	3,023 00	Mar. 20, 1879	....do	15,083 42
Mar. 22, 1879	....do	15,124 93	Mar. 29, 1879	....do	21,191 93
Apr. 5, 1879	....do	63,050 00	Apr. 1, 1879	....do	37,369 31
			Apr. 10, 1879	....do	48,498 58
			Apr. 17, 1879	....do	94,223 37
			Apr. 24, 1879	....do	56,778 94
			May 3, 1879	....do	2,553 72
			May 6, 1879	....do	22,726 02
			May 7, 1879	....do	19,121 90
			May 13, 1879	....do	2,162 63
			May 15, 1879	....do	19,200 00
			May 16, 1879	....do	13,678 56
			May 19, 1879	....do	3,789 31
			May 20, 1879	....do	10,963 17
			May 21, 1879	....do	25,003 30

			May 23, 1879	By transfer to Treasurer United States	17,418 77
			May 28, 1879	do	2,031 23
			June 4, 1879	do	10,099 94
			June 5, 1879	do	118 05
			June 26, 1879	do	61,688 42
			July 5, 1879	By transfer to assistant treasurer Philadelphia	25,000 00
			July 5, 1879	By transfer to assistant treasurer New York	20,000 00
			July 10, 1879	do	25,000 00
			July 14, 1879	By transfer to Treasurer United States	2,658 75
			July 17, 1879	do	2,000 96
			July 24, 1879	do	50,952 05
			Aug. 6, 1879	do	56,624 09
		682,034 84			682,034 84
	Second National Bank, Titusville, Pa.:				
Feb. 28, 1879	To balance of subscriptions	105,652 97	Apr. 1, 1879	By transfer to Treasurer United States	7,016 19
			Apr. 17, 1879	do	17,464 37
			Apr. 25, 1879	do	3,617 30
			June 21, 1879	do	8,036 60
			July 5, 1879	do	15,000 00
			July 8, 1879	do	1,751 84
			July 11, 1879	do	20,000 00
			Aug. 6, 1879	do	32,766 67
		105,652 97			105,652 97
	First National Bank, Providence, R. I.:				
Feb. 28, 1879	To balance of subscriptions	249,865 51	Mar. 27, 1879	By transfer to assistant treasurer New York	15,000 00
Mar. 8, 1879	Subscription	5,500 00	Apr. 18, 1879	do	5,000 00
Mar. 15, 1879	do	5,280 32	Apr. 25, 1879	do	15,000 00
Mar. 31, 1879	do	3,482 15	May 5, 1879	do	20,000 00
			May 8, 1879	do	20,000 00
			May 10, 1879	do	20,000 00
			May 13, 1879	do	10,000 00
			May 15, 1879	do	30,000 00
			May 16, 1879	do	15,000 00
			June 28, 1879	do	25,000 00
			July 5, 1879	do	22,000 00
			July 12, 1879	do	20,000 00
			July 25, 1879	do	35,000 00
			July 28, 1879	do	12,127 98
		264,127 98			264,127 98
	State National Bank, Memphis, Tenn.:				
Mar. 8, 1879	Subscription	20,131 50	Mar. 1, 1879	By transfer to Treasurer United States	10,131 50
Mar. 15, 1879	do	1,007 56	Mar. 2, 1879	do	1,007 56
			Apr. 3, 1879	do	1,022 51
			June 19, 1879	do	8,977 49
		21,139 06			21,139 06

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, Memphis, Tenn.:				
Feb. 28, 1879	To balance of subscriptions	$899,670 85	Mar. 5, 1879	By transfer to Treasurer United States	$55 40
			Mar. 12, 1879	By transfer to assistant treasurer Boston	40,000 00
			Mar. 21, 1879	do	17,511 90
			Apr. 5, 1879	By transfer to assistant treasurer New York	20,060 00
			Apr. 1, 1879	By transfer to assistant treasurer Boston	15,000 00
			Apr. 12, 1879	By transfer to assistant treasurer New Orleans	105,000 00
			Apr. 17, 1879	do	20,000 00
			Apr. 19, 1879	do	2,103 56
			Apr. 23, 1879	By transfer to assistant treasurer Boston	12,500 00
			Apr. 24, 1879	By transfer to assistant treasurer New Orleans	3,500 00
			Apr. 24, 1879	do	5,000 00
			Apr. 25, 1879	By transfer to assistant treasurer Boston	4,000 00
			Apr. 26, 1879	do	5,000 00
			Apr. 29, 1879	By transfer to assistant treasurer New Orleans	15,000 00
			May 1, 1879	do	12,500 00
			May 9, 1879	By transfer to assistant treasurer New York	400,000 00
			May 10, 1879	do	200,000 00
			June 30, 1879	do	22,499 99
		899,670 85			899,670 85
	Third National Bank, Nashville, Tenn.:				
Feb. 28, 1879	To balance of subscriptions	182,178 63	Mar. 25, 1879	By transfer to Treasurer United States	2,018 74
Mar. 8, 1879	Subscription	85,596 19	Apr. 3, 1879	do	86,676 71
Mar. 15, 1879	do	5,139 66	Apr. 19, 1879	do	50,989 48
Apr. 19, 1879	do	4,027 01	Apr. 22, 1879	do	44,197 51
			May 5, 1879	do	20,371 02
			May 16, 1869	do	3,662 22
			June 23, 1879	do	4,483 53
			June 28, 1878	By transfer to assistant treasurer Cincinnati	12,000 00
			June 30, 1879	do	8,757 71
			July 12, 1829	do	10,000 00
			July 18, 1879	do	23,362 71
			July 25, 1879	do	10,421 86
		276,941 49			276,941 49
	First National Bank, Galveston, Tex.:				
Feb. 28, 1879	To balance of subscriptions	2,365 54	Mar. 4, 1879	By transfer to assistant treasurer New Orleans	1,161 11
Mar. 22, 1879	Subscription	7,058 31	Apr. 30, 1879	do	200 48
Mar. 31, 1879	do	2,017 76	Apr. 14, 1879	do	1,003 95
			July 1, 1879	do	9,076 07
		11,441 61			11,441 61

	National Bank of Texas, Galveston, Tex.:				
Mar. 8, 1879	Subscription	20,144 43	Mar. 8, 1879	By transfer to assistant treasurer New York	20,144 43
Mar. 22, 1879	....do	1,513 22	May 31, 1879	....do	1,513 22
		21,657 65			21,657 65
	People's National Bank, Brattleborough, Vt.:				
Feb. 28, 1879	To balance of subscriptions	13,966 38	Mar. 25, 1879	By transfer to Treasurer United States	4,983 00
Mar. 8, 1879	Subscription	6,042 63	Apr. 3, 1979	....do	1,019 38
Apr. 5, 1879	....do	5,000 00	Apr. 23, 1879	....do	1,013 99
Apr. 19, 1879	....do	18,121 55	May 9, 1879	....do	7,036 17
			May 15, 1879	....do	3,000 00
			June 13, 1879	By transfer to assistant treasurer New York	1,000 00
			June 21, 1879	....do	2,977 66
			June 26, 1879	....do	869 85
			June 28, 1879	....do	1,069 99
			June 30, 1779	....do	205 06
			July 18, 1879	....do	6,116 30
			July 26, 1879	....do	13,839 16
		43,130 56			43,130 56
	Merchants' National Bank, Burlington, Vt.:				
Feb. 28, 1879	To balance of subscriptions	106,804 96	Mar. 1, 1879	By transfer to Treasurer United States	7,174 58
			Mar. 27, 1879	....do	2,890 86
			Apr. 2, 1879	....do	1,978 93
			Apr. 3, 1879	....do	5,802 59
			Apr. 12, 1879	....do	4,477 75
			Apr. 18, 1870	....do	4,570 25
			Apr. 25, 1879	....do	2,841 01
			May 9, 1879	....do	5,000 00
			May 12, 1879	....do	5,000 00
			May 14, 1879	....do	10,000 00
			May 17, 1879	....do	5,000 00
			May 28, 1879	....do	2,597 45
			June 19, 1879	....do	32,933 21
			June 26, 1879	....do	1,320 52
			June 27, 1879	....do	1,226 35
			June 30, 1879	....do	719 05
			July 3, 1879	....do	3,761 16
			July 15, 1879	....do	6,227 15
			July 18, 1879	....do	1,801 22
			July 19, 1879	....do	1,478 88
		106,804 96			106,804 96

Bonds authorized by acts of July 14, 1870, and January 20, 1871, issued on coin certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Montpelier National Bank, Montpelier, Vt.:				
Feb. 28, 1879	To balance of subscriptions	$276,358 90	Mar. 27, 1879	By transfer to assistant treasurer Boston	$50,000 00
			Apr. 9, 1879	do	2,031 89
			Apr. 22, 1879	By transfer to Treasurer United States	28,442 23
			May 3, 1879	By transfer to assistant treasurer Boston	15,000 00
			May 6, 1879	do	20,000 00
			May 10, 1879	By transfer to Treasurer United States	16,004 59
			May 10, 1879	By transfer to assistant treasurer Boston	20,000 00
			May 15, 1879	do	20,000 00
			May 23, 1879	do	25,380 33
			May 24, 1879	do	12,153 30
			May 29, 1879	do	26,681 21
			June 4, 1879	By transfer to Treasurer United States	4,583 92
			June 20, 1879	do	36,081 43
		276,358 90			276,358 90
	Exchange National Bank, Norfolk, Va.:				
Mar. 8, 1879	Subscription	4,026 21	Mar. 5, 1879	By transfer to Treasurer United States	1,006 47
Mar. 15, 1879	do	19,596 27	Mar. 7, 1879	do	3,019 74
			Mar. 21, 1879	do	3,000 00
			Apr. 2, 1879	do	7,000 00
			Apr. 9, 1879	do	4,801 24
			May 5, 1879	do	4,104 85
			May 18, 1879	do	690 18
		23,622 48			23,622 48
	National Exchange Bank, Milwaukee, Wis.:				
Feb. 28, 1879	To balance of subscriptions	102,287 13	Apr. 10, 1879	By transfer to assistant treasurer New York	3,252 93
Apr. 19, 1879	Subscription	100,686 00	Apr. 18, 1879	do	5,092 88
			May 5, 1879	do	10,000 00
			May 8, 1879	do	94,489 32
			June 4, 1879	do	5,076 77
			July 18, 1879	do	1,500 74
			July 21, 1879	do	30,000 00
			July 24, 1879	do	15,000 00
			July 26, 1879	do	6,142 27
			July 31, 1879	do	32,418 22
		202,973 13			202,973 13

Commissions paid on subscriptions to four per cent. consols of 1907, *from March* 1, 1879, *to October* 31, 1879; *continued from list printed in Senate Executive Document No.* 9, *Forty-sixth Congress, first session.*

When paid.		Name.	Subscription.	Commission.
1879.				
Mar.	5	Louise Brown	$4,000	$10 00
	5	Union and Planters' Bank, Memphis, Tenn	12,000	30 00
	5	C. Seiler	7,000	17 50
	13	Deseret National Bank, Salt Lake City, Utah	50,000	125 00
	13	B. U. Keyser, receiver	4,750	11 87
	13	T. C. Shove	1,000	2 50
	13	George Nicholson	1,000	2 50
	13	New Orleans National Bank, New Orleans, La	33,000	82 50
	13	Omaha National Bank, Omaha, Nebr	48,900	122 25
Apr.	3	First National Bank, Holly, Mich	10,000	25 00
	3	First National Bank, Portland, Oreg	25,800	64 50
	3	First Ward National Bank, Boston, Mass	28,950	72 37
	8	First National Bank, Westfield, Mass	2,200	5 50
	8	Bank of Athens, Athens, Ohio	6,300	15 75
	15	Atoe County National Bank, Nebraska City, Nebr	1,500	3 75
	25	City National Bank, Selma, Ala	100,000	250 00
May	2	J. Esterly & Co., Columbiana, Ohio	1,000	2 50
	15	First National Bank, Milwaukee, Wis	18,550	46 37
	23	First National Bank, Portsmouth, N. H	22,600	56 50
Mar.	7	First National Bank, New York	1,000,000	3,500 00
	7	....do	5,000,000	17,500 00
	20	Maverick National Bank, Boston, Mass	5,000,000	17,500 00
	7	Levi Strauss & Co	100,000	125 00
	7	First National Bank, New York	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	.... do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
Apr.	10	Maverick National Bank, Boston, Mass	2,000,000	7,000 00
Mar.	7	City National Bank, Plainfield, N. J	200,000	250 00
	7	Second National Bank, Titusville, Pa	106,200	132 75
	7	Henry Williams	200,000	250 00
	7	Hanover National Bank, City of New York	10,000,000	25,000 00
	7	....do	6,822,800	23,879 80
	7	First National Bank, New York	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	7	....do	1,000,000	3,500 00
	13	.... do	1,000,000	3,500 00
	13	Bank of New York National Banking Association	8,660,000	30,310 00
	7	National Bank of the State of New York, New York	7,835,000	27,422 50
	7	Maverick National Bank, Boston, Mass	3,000,000	10,500 00
	7	Monument National Bank, Boston, Mass	3,370,000	8,425 00
	7	National Security Bank, Boston, Mass	1,100,000	2,750 00
	7	Third National Bank, Nashville, Tenn	193,350	241 69
	7	First National Bank, Marlborough, Mass	100,000	125 00
	13	First National Bank, New York	1,000,000	3,500 00
	13	....do	1,000,000	3,500 00
	13	....do	1,000,000	3,500 00
	13	Exchange National Bank, Pittsburgh, Pa	100,000	125 00
	13	Francis Hathaway	155,000	193 75
	13	Field, Leiter & Co	100,000	125 00
May	6	Maverick National Bank, Boston, Mass	1,000,000	3,500 00
Mar.	20	Union and Planters' Bank, Memphis, Tenn	65,500	81 87
	20	Monument National Bank, Charlestown, Mass	3,100,000	7,750 00
	20	First National Bank, New York	1,000,000	3,500 00
Apr.	7	....do	300,000	3,500 00
May	6	Maverick National Bank, Boston, Mass	2,000,000	7,000 00
Apr.	2	Continental National Bank, New York	10,000,000	25,000 00
	2	....do	21,199,750	74,199 12
	2	First National Bank, Portland, Oreg	155,900	194 87
	2	First National Bank, Cincinnati, Ohio	1,200,000	3,000 00
	2	Chase National Bank, New York	1,426,100	3,565 25
	2	Hanover National Bank, New York	19,500	68 25
	7	First National Bank, New York	3,000,000	10,500 00
	10	....do	1,000,000	3,500 00
	7	Mary N. Walker	210,000	262 50
	10	National Bank of Commerce, New York	10,000,000	25,000 00
	10	....do	3,150,000	11,025 00
	18	First National Bank of New York	1,000,000	3,500 00
	18	....do	1,000,000	3,500 00
	18	....do	10,000,000	35,000 00
	18	National Bank of the State of New York	860,000	3,010 00
May	23	Maverick National Bank, Boston	500,000	1,750 00
June	26	....do	500,000	1,750 00
July	23	....do	1,000,000	3,500 00

Commissions paid on subscriptions to four per cent. consols of 1907, *&c.*—Continued.

When paid.	Name.	Subscription.	Commission.
1879.			
Apr. 18	Hanover National Bank, New York	$1,153,000	$4,035 50
18	W. S. Hopkins	155,000	193 75
Oct. 1	National Bank of Commerce, New York	32,000,000	112,000 00
May 6	National Albany Exchange Bank, Albany, N. Y	1,431,400	3,578 50
6	National Park Bank, New York	746,000	932 50
6	National Bank of the Commonwealth, Boston	800,000	1,000 00
6	Monument National Bank, Boston	1,050,000	2,625 00
6	Third National Bank, Cincinnati, Ohio	1,000,000	2,500 00
7	Wachusett National Bank, Fitchburg, Mass	1,002,700	2,506 75
27	Bank of New York National Banking Association	12,500,000	15,625 00
14	do	2,700,000	9,450 00
14	National Bank of the State of New York	12,000,000	15,000 00
14	do	2,000,000	7,000 00
12	Montgomery Godley	100,000	125 00
12	Franklin County National Bank, Greenfield, Mass	1,022,200	2,555 50
17	Continental National Bank, New York	2,000,000	2,500 00
17	National Pemberton Bank, Lawrence, Mass	5,000	6 25
23	Continental National Bank, New York	3,497,800	12,242 30
23	National Broadway Bank, New York	1,200,000	3,000 00
23	First National Bank, Portsmouth, N. H	207,900	259 87
23	Mrs. Anastasia Patten	700,000	875 00
27	Chase National Bank, New York	200,000	500 00
27	do	500,000	625 00
June 17	Pacific National Bank, Boston, Mass	1,000,000	2,500 00
17	First National Bank, New York	60,000,000	75,000 00
17	Second National Bank, New York	3,700,000	9,250 00
17	First National Bank, Quincy, Ill	129,200	161 50
10	Fourth National Bank, Cincinnati, Ohio	2,000,000	5,000 00
28	National Ulster County Bank, Kingston, N. Y	77,950	194 87
28	First National Bank, Providence, R. I	263,500	329 37
28	First National Bank, Whitewater, Wis	1,000	2 50
28	Rollstone National Bank, Fitchburg, Mass	457,700	572 12
28	First National Bank, Chelsea, Mass	37,000	92 50
28	do	1,103,650	2,759 12
28	National State Capital Bank, Concord, N. H	200,000	250 00
28	Tradesmen's National Bank, Pittsburgh, Pa	964,850	2,412 12
28	Third National Bank, Nashville, Tenn	94,100	117 62
28	First National Bank, Memphis, Tenn	995,900	2,489 75
July 7	Home National Bank, Brockton, Mass	100,000	125 00
7	Merchants' National Bank, Cleveland, Ohio	300,000	375 00
7	Fallkill National Bank, Poughkeepsie, N. Y	13,500	33 75
7	do	154,900	193 62
16	Third National Bank, Pittsburgh, Pa	142,500	178 12
16	Old Colony National Bank, Plymouth, Mass	200,000	250 00
16	Roosevelt & Son, New York	162,750	203 44
16	National Revere Bank, Boston, Mass	500,000	625 00
16	City National Bank, Plainfield, N. J	802,000	2,255 00
23	The Montpelier National Bank, Montpelier, Vt	151,600	379 00
23	do	400,000	500 00
23	Troy City National Bank, Troy, N. Y	200,000	250 00
23	First National Bank, Cincinnati, Ohio	50,000	125 00
23	First National Bank, Olean, N. Y	15,000	37 50
28	Wilber National Bank, Oneonta, N. Y	113,000	141 25
28	Third National Bank, Cincinnati, Ohio	1,000,000	1,250 00
28	Central National Bank, Boston, Mass	200,000	250 00
28	New York National Exchange Bank, New York	250,000	312 50
28	First National Bank, Newburyport, Mass	1,399,000	3,497 50
Aug. 1	Merchants' National Bank, Burlington, Vt	106,500	133 12
2	Alonzo Hitchcock, New York	3,000	7 50
15	National Exchange Bank, Milwaukee, Wis	102,000	127 50
15	do	100,000	125 00
15	The Chemical National Bank, New York	3,200,200	8,000 50
15	The Natick National Bank, Natick, Mass	200,000	500 00
15	The First National Bank, Salem, Mass	421,100	526 37
26	Hartford National Bank, Hartford, Conn	320,700	400 87
26	Manufacturers' National Bank, Boston, Mass	325,000	812 50
26	do	855,000	1,068 75
26	Suffolk National Bank, Boston, Mass	200,000	250 00
Sept. 2	First National Bank, New York	45,000,000	56,250 00
2	First National Bank, Syracuse, N. Y	100,000	125 00
2	do	100,000	250 00
6	Merchants' National Bank, Bangor, Me	50,000	125 00
6	James B. Skinner	12,000	30 00
15	First National Bank, Galveston, Tex	1,950	4 87
15	National Bank of Texas, Galveston, Tex	7,000	17 50
15	Continental National Bank, Boston	100,000	125 00
Oct. 1	Granite National Bank, Augusta, Me	456,000	570 00
1	First National Bank, New York	16,000,000	20,000 00
2	Covington City National Bank, Covington, Ky	500,000	625 00
3	Natick National Bank, Natick, Mass	215,000	268 75

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit of designated depositaries of the United States, under provisions of law, as shown by returns in the office of the Secretary of the Treasury.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	City National Bank, Selma, Ala.:				
Mar. 31, 1879	Subscription	$50,000 00	July 2, 1879	By transfer to Treasurer United States	$50,000 00
	Merchants' National Bank, Little Rock, Ark.:				
Apr. 5, 1879	Subscription	5,000 00	June 26, 1879	By transfer to Treasurer United States	877 60
Apr. 19, 1879	do	5,008 76	July 14, 1879	do	9,131 16
		10,008 76			10,008 76
	Farmers and Mechanics' National Bank, Hartford, Conn.:				
Mar. 31, 1879	Subscription	1,000 00	July 3, 1879	By transfer to assistant treasurer New York	1,000 00
	Second National Bank, New Haven, Conn.:				
Apr. 5, 1879	Subscription	1,100 25	Apr. 9, 1879	By transfer to assistant treasurer New York	2,001 14
Apr. 12, 1879	do	900 89			
		2,001 14			2,001 14
	Colorado National Bank, Denver, Colo.:				
Apr. 5, 1879	Subscription	3,000 66	Apr. 15, 1879	By transfer to Treasurer United States	1,000 77
Apr. 19, 1879	do	1,000 77	June 17, 1879	do	3,000 66
		4,001 43			4,001 43
	First National Bank, Denver, Colo.:				
Apr. 5, 1879	Subscription	1,000 11	Apr. 12, 1879	By transfer to Treasurer United States	1,000 11
	City National Bank, Griffin, Ga.:				
Apr. 5, 1879	Subscription	10 00	June 16, 1879	By transfer to assistant treasurer New York	310 47
Apr. 12, 1879	do	100 12			
Apr. 19, 1879	do	200 35			
		310 47			310 47
	First National Bank, Springfield, Ill.:				
Mar. 31, 1879	Subscription	1,000 00	Apr. 4, 1879	By transfer to Treasurer United States	1,000 00
	Havana National Bank, Havana, Ill.:				
Apr. 5, 1879	Subscription	1,000 33	May 3, 1879	By transfer to Treasurer United States	25 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Havana National Bank, Havana, Ill.—Continued.				
Apr. 12, 1879	Subscription	$4,004 16	July 3, 1879	By transfer to assistant treasurer New York	$12,017 42
Apr. 19, 1879	do	7,012 93			
Apr. 30, 1879	do	25 00			
		12,042 42			12,042 42
	Second National Bank, Peoria, Ill.:				
Apr. 5, 1879	Subscription	5,000 00	Apr. 1, 1879	By transfer to assistant treasurer New York	2,000 00
			June 19, 1879	do	3,000 00
		5,000 00			5,000 00
	First National Bank, Indianapolis, Ind.:				
Apr. 5, 1879	Subscription	1,000 00	Apr. 5, 1879	By transfer to Treasurer United States	1,000 00
	First National Bank, Wabash, Ind.:				
Apr. 12, 1879	Subscription	1,000 66	July 2, 1879	By transfer to assistant treasurer New York	1,000 66
	Logansport National Bank, Logansport, Ind.:				
Apr. 5, 1879	Subscription	1,000 00	June 7, 1879	By transfer to Treasurer United States	1,000 00
	National Branch Bank, Madison, Ind.:				
Apr. 5, 1879	Subscription	1,000 00	July 3, 1879	By transfer to assistant treasurer New York	1,000 00
	Lexington City National Bank, Lexington, Ky.:				
Apr. 5, 1879	Subscription	1,000 00	Apr. 1, 1879	By transfer to assistant treasurer New York	1,000 00
	Appleton National Bank, Lowell, Mass.:				
Mar. 31, 1879	Subscription	5,000 00	June 30, 1879	By transfer to Treasurer United States	10,000 00
Apr. 5, 1879	do	5,000 00			
		10,000 00			10,000 00
	Berkshire National Bank, North Adams, Mass.:				
Apr. 5, 1879	Subscription	8,000 00	July 3, 1879	By transfer to assistant treasurer New York	8,000 00
	First National Bank, Chelsea, Mass.:				
Mar. 31, 1879	Subscription	2,000 00	Mar. 26, 1879	By transfer to assistant treasurer Boston	2,000 00
	First National Bank, Lynn, Mass.:				
Apr. 5, 1879	Subscription	1,000 00	July 2, 1879	By transfer to assistant treasurer New York	1,000 00

	First National Bank, Salem, Mass.:				
Apr. 5, 1879	Subscription	5,500 00	July 3, 1879	By transfer to assistant treasurer New York	5,500 00
	Franklin County National Bank, Greenfield, Mass.:				
Apr. 5, 1879	Subscription	10 00	Apr. 22, 1879	By transfer to Treasurer United States	10 00
	Maverick National Bank, Boston, Mass.:				
Mar. 31, 1879	Subscription	100,000 00	July 5, 1879	By transfer to assistant treasurer New York	25,000 00
			July 24, 1879	By transfer to Treasurer United States	40,000 00
			July 29, 1879	do	35,000 00
		100,000 00			100,000 00
	Manufacturers' National Bank, Boston, Mass.:				
Apr. 5, 1879	Subscription	2,000 22	June 30, 1879	By transfer to assistant treasurer New York	5,152 47
Apr. 12, 1879	do	5,006 03	July 22, 1879	do	1,853 78
		7,006 25			7,006 25
	Monument National Bank, Charlestown, Mass.:				
Apr. 5, 1879	Subscription	5,000 00	May 12, 1879	By transfer to Treasurer United States	5,000 00
	National Bank of the Commonwealth, Boston, Mass.:				
Apr. 5, 1879	Subscription	25,000 00	July 3, 1879	By transfer to assistant treasurer Boston	15,000 00
			July 23, 1879	do	10,000 00
		25,000 00			25,000 00
	Natick National Bank, Natick, Mass.:				
Apr. 12, 1879	Subscription	10,000 00	July 7, 1879	By transfer to assistant treasurer Boston	10,012 06
Apr. 19, 1879	do	12 06			
		10,012 06			10,012 06
	Pittsfield National Bank, Pittsfield, Mass.:				
Apr. 5, 1879	Subscription	2,001 10	July 2, 1879	By transfer to assistant treasurer New York	2,001 10
	Rollstone National Bank, Fitchburg, Mass.:				
Apr. 5, 1879	Subscription	2,500 00	July 3, 1879	By transfer to assistant treasurer New York	2,500 00
	Saint Louis National Bank, Saint Louis, Mo.:				
Mar. 31, 1879	Subscription	10,000 00	Apr. 4, 1879	By transfer to assistant treasurer Saint Louis	10,000 00
	Merchants' National Bank, Saint Paul, Minn.:				
Apr. 5, 1879	Subscription	1,000 33	Apr. 3, 1879	By transfer to Treasurer United States	1,000 33

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	Granite National Bank, Augusta, Me.:				
Apr. 12, 1879	Subscription	$100,098 63	July 3, 1878	By transfer to assistant treasurer New York	$25,000 00
			July 24, 1879	By transfer to assistant treasurer Boston	35,000 00
			July 28, 1879	do	40,098 63
		100,098 63			100,098 63
	First National Bank, Kalamazoo, Mich.:				
Apr. 5, 1879	Subscription	1,000 44	July 3, 1879	By transfer to assistant treasurer New York	6,004 82
Apr. 12, 1879	do	5,004 38			
		6,004 82			6,004 82
	Bank of New York National Banking Association, New York:				
Apr. 12, 1879	Subscription	100,087 67	July 5, 1879	By transfer to assistant treasurer New York	25,000 00
			July 22, 1879	do	35,000 00
			July 28, 1879	do	40,087 67
		100,087 67			100,087 67
	Continental National Bank, New York, N. Y.:				
Apr. 5, 1879	Subscription	5,001 64	July 2, 1879	By transfer to assistant treasurer New York	5,001 64
	Chase National Bank, New York, N. Y.:				
Mar. 31, 1879	Subscription	50,000 00	June 30, 1879	By transfer to assistant treasurer New York	40,000 00
Apr. 19, 1879	do	70,110 70	July 8, 1879	do	10,304 93
			July 23, 1879	do	35,000 00
			July 26, 1879	By transfer to Treasurer United States	34,805 77
		120,110 70			120,110 70
	First National Bank, New York City, N. Y.:				
Apr. 12, 1879	Subscription	50,032 88	July 1, 1879	By transfer to assistant treasurer New York	25,000 00
			July 21, 1879	do	25,032 88
		50,032 88			50,032 88
	First National Bank, Syracuse, N. Y.:				
5, 1879	Subscription	20,003 28	Apr. 23, 1879	By transfer to treasurer United States	2,000 00
			July 3, 1879	By transfer to assistant treasurer New York	10,000 00
			July 21, 1879	do	8,003 28
		20,003 28			20,003 28

	First National Bank, Troy, N. Y.:				
Apr. 12, 1879	Subscription	1,000 77	July 3, 1879	By transfer to assistant treasurer New York	1,000 77
	Fallkill National Bank, Poughkeepsie, N. Y.:				
Mar. 31, 1879	Subscription	1,000 00	July 2, 1879	By transfer to assistant treasurer New York	1,000 00
	National Albany Exchange Bank, Albany, N. Y.:				
Apr. 5, 1879	Subscription	10,000 00	July 2, 1879	By transfer to assistant treasurer New York	10,000 00
	National Bank of Commerce, New York, N. Y.:				
Mar. 31, 1879	Subscription	10,000 00	Apr. 3, 1879	By transfer to assistant treasurer New York	10,000 00
	National Bank of the State of New York, New York:				
Apr. 12, 1879	Subscription	25,027 40	July 2, 1879	By transfer to assistant treasurer New York	25,027 40
	National Ulster County Bank, Kingston, N. Y.:				
Mar. 31, 1879	Subscription	2,000 00	Apr. 2, 1879	By transfer to assistant treasurer New York	2,000 00
	Second National Bank, New York, N. Y.:				
Apr. 12, 1879	Subscription	100,093 13	July 2, 1879	By transfer to assistant treasurer New York	25,000 00
			July 21, 1879	do	35,000 00
			July 26, 1879	do	40,093 13
		100,093 13			100,093 13
	First National Bank, Portsmouth, N. H.:				
Apr. 5, 1879	Subscription	5,000 00	July 3, 1879	By transfer to assistant treasurer New York	10,006 03
Apr. 12, 1879	do	5,006 03			
		10,006 03			10,006 03
	City National Bank, Plainfield, N. J.:				
Mar. 31, 1879	Subscription	2,000 00	Apr. 5, 1879	By transfer to treasurer United States	2,000 00
	Lambertville National Bank, Lambertville, N. J.:				
Mar. 31, 1879	Subscription	1,000 00	July 1, 1879	By transfer to assistant treasurer New York	2,006 98
Apr. 19, 1879	do	1,001 98			
Apr. 30, 1879	do	5 00			
		2,006 98			2,006 98
	First National Bank, Omaha, Nebr.:				
Apr. 12, 1879	Subscription	1,120 87	Apr. 7, 1879	By transfer to Treasurer United States	1,120 87
Apr. 19, 1879	do	5,009 87	July 5, 1879	By transfer to assistant treasurer New York	5,034 87
Apr. 30, 1879	do	25 00			
		6,155 74			6,155 74

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	First National Bank, Bellaire, Ohio:				
Apr. 5, 1879	Subscription	$1,000 00	June 14, 1879	By transfer to Treasurer United States	$4,002 94
Apr. 12, 1879	do	3,002 94			
		4,002 94			4,002 94
	First National Bank, Cincinnati, Ohio:				
Mar. 31, 1879	Subscription	20,000 00	July 2, 1879	By transfer to assistant treasurer New York	20,000 00
	First National Bank, Chillicothe, Ohio:				
Mar. 31, 1879	Subscription	20,000 00	July 2, 1879	By transfer to assistant treasurer New York	20,000 00
	First National Bank, Springfield, Ohio:				
Mar. 31, 1879	Subscription	1,000 00	July 2, 1879	By transfer to assistant treasurer New York	1,000 00
	First National Bank, Lima, Ohio:				
Apr. 12, 1879	Subscription	1,000 77	July 14, 1879	By transfer to assistant treasurer New York	1,000 77
	Hocking Valley National Bank, Lancaster, Ohio:				
Apr. 12, 1879	Subscription	30 02	May 27, 1879	By transfer to Treasurer United States	30 02
	Lagonda National Bank, Springfield, Ohio:				
Apr. 5, 1879	Subscription	1,000 00	Apr. 9, 1879	By transfer to Treasurer United States	1,000 00
	Merchants' National Bank, Dayton, Ohio:				
Apr. 5, 1879	Subscription	1,000 55	Apr. 12, 1879	By transfer to Treasurer United States	1,000 55
	Centennial National Bank, Philadelphia, Pa.:				
Mar. 31, 1879	Subscription	2,000 00	Mar. 27, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 12, 1879	do	2,001 30	Mar. 31, 1879	do	1,000 00
			Apr. 8, 1879	do	2,000 00
			Apr. 28, 1879	By transfer to Treasurer United States	1 30
		4,001 30			4,001 30
	City National Bank, Williamsport, Pa.:				
Mar. 31, 1879	Subscription	1,000 00	July 10, 1879	By transfer to assistant treasurer New York	2,000 76
Apr. 12, 1879	do	1,000 76			
		2,000 76			2,000 76

	First National Bank, Connellsville, Pa.:				
Mar. 31, 1879	Subscription	20 00	Apr. 5, 1879	By transfer to Treasurer United States	200 09
Apr. 5, 1879	....do	180 09			
		200 09			200 09
	First National Bank, Reading, Pa.:				
Apr. 12, 1879	Subscription	1,000 99	Apr. 29, 1879	By transfer to assistant treasurer Philadelphia	1,000 99
	Harrisburg National Bank, Harrisburg, Pa.:				
Mar. 31, 1879	Subscription	10,000 00	Apr. 24, 1879	By transfer to Treasurer United States	10,000 00
Apr. 19, 1879	....do	10,018 63	May 3, 1879	By transfer to assistant treasurer Baltimore	68 63
May 10, 1879	....do	50 00	July 2, 1879	....do	10,000 00
		20,068 63			20,068 63
	Honesdale National Bank, Honesdale, Pa.:				
Apr. 5, 1879	Subscription	1,000 00	Apr. 4, 1879	By transfer to Treasurer United States	1,000 00
	Montgomery National Bank, Norristown, Pa.:				
Mar. 31, 1879	Subscription	2,000 00	May 15, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
	Second National Bank, Wilkesbarre, Pa.:				
Mar. 31, 1879	Subscription	1,000 00	Apr. 3, 1879	By transfer to Treasurer United States	1,000 00
	Tradesmen's National Bank, Pittsburgh, Pa.:				
Apr. 5, 1879	Subscription	5,000 00	July 2, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
	First National Bank, Providence, R. I.:				
Apr. 19, 1879	Subscription	10,016 43	July 5, 1879	By transfer to assistant treasurer New York	10,016 43
	Third National Bank, Nashville, Tenn.:				
Apr. 12, 1879	Subscription	5,004 39	July 3, 1879	By transfer to assistant treasurer New York	5,004 39
	First National Bank, Brandon, Vt.:				
Mar. 31, 1879	Subscription	1,000 00	July 2, 1879	By transfer to assistant treasurer New York	10,000 00
Apr. 12, 1879	....do	1,501 47	July 25, 1879	....do	6,022 99
	....do	13,521 52			
		16,022 99			16,022 99
	Merchants' National Bank, Burlington, Vt.:				
Apr. 5, 1879	Subscription	10,000 00	July 3, 1879	By transfer to assistant treasurer New York	25,000 00
Apr. 19, 1879	....do	100,142 47	July 23, 1879	....do	40,000 00
			July 24, 1879	....do	45,142 47
		110,142 47			110,142 47

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	Montpelier National Bank, Montpelier, Vt.:				
Apr. 5, 1879	Subscription	$2,000 00	July 3, 1879	By transfer to assistant treasurer Boston	$25,000 00
Apr. 12, 1879	do	100,065 75	July 22, 1879	By transfer to Treasurer United States	30,000 00
			July 29, 1879	By transfer to assistant treasurer Boston	33,818 22
			July 30, 1879	By transfer to Treasurer United States	13,247 53
		102,065 75			102,065 75
	People's National Bank, Brattleboro', Vt.:				
Apr. 12, 1879	Subscription	1,000 77	Apr. 15, 1879	By transfer to Treasurer United States	200 00
			June 21, 1879	do	800 77
		1,000 77			1,000 77
	First National Bank, Milwaukee, Wis.:				
Apr. 12, 1879	Subscription	19,018 74	July 2, 1879	By transfer to assistant treasurer New York	19,018 74
	Dora Wathington, Cullman, Ala.:				
May 30, 1879	Subscription	1,006 32	June 7, 1879	By transfer to assistant treasurer New Orleans	1,000 00
June 7, 1879	do	1,007 17	June 14, 1879	do	1,000 00
			Aug. 7, 1879	By transfer to Treasurer United States	13 49
		2,013 49			2,013 49
	John W. Dereen, Demopolis, Ala.:				
May 10, 1879	Subscription	1,004 14	May 17, 1879	By transfer to assistant treasurer New Orleans	1,000 00
May 17, 1879	do	552 34	May 26, 1879	do	1,000 00
May 24, 1879	do	452 43	May 28, 1879	do	1,000 00
May 31, 1879	do	2,012 65	June 2, 1879	do	1,000 00
June 7, 1879	do	1,007 01	June 17, 1879	do	1,000 00
			June 17, 1879	By transfer to Treasurer United States	28 57
		5,028 57			5,028 57
	J. D. Sibley, Huntsville, Ala.:				
Apr. 30, 1879	Subscription	1,885 24	Apr. 30, 1879	By transfer to assistant treasurer New Orleans	1,000 00
May 10, 1879	do	3,131 78	May 7, 1879	do	2,000 00
May 17, 1879	do	2,009 42	May 12, 1879	do	2,000 00
May 24, 1879	do	2,011 84	May 24, 1879	do	2,000 00
May 31, 1879	do	4,026 08	May 27, 1879	do	2,000 00
June 7, 1879	do	2,013 81	May 31, 1879	do	2,000 00
			June 3, 1879	do	2,000 00
			June 18, 1879	do	2,000 00

			June 20, 1879	By transfer to Treasurer United States	78 17
		15,078 17			15,078 17
	S. S. Holbrook, Montevallo, Ala.:				
May 10, 1879	Subscription	20 08	July 8, 1879	By transfer to Treasurer United States	252 02
May 17, 1879	do	20 09	July 8, 1879	do	28
May 31, 1879	do	10 06			
June 21, 1879	do	100 90			
July 5, 1879	do	30 33			
July 12, 1879	do	50 56			
July 19, 1879	do	20 28			
		252 30			252 30
	Louis H. Mayer, Mobile, Ala.:				
Apr. 19, 1879	Subscription	5,007 77	Apr. 21, 1879	By transfer to assistant treasurer New Orleans	4,000 00
Apr. 30, 1879	do	19,052 14	Apr. 22, 1879	do	6,000 00
May 10, 1879	do	14,056 67	Apr. 26, 1879	do	10,000 00
May 17, 1879	do	10,049 74	May 6, 1879	do	4,000 00
May 24, 1879	do	21,119 04	May 9, 1879	do	4,000 00
May 31, 1879	do	28,178 48	May 13, 1879	do	2,000 00
June 7, 1879	do	15,103 50	May 16, 1879	do	8,000 00
			May 20, 1879	do	9,000 00
			May 23, 1879	do	4,000 00
			May 24, 1879	do	4,000 00
			May 26, 1879	do	8,000 00
			May 27, 1879	do	4,000 00
			May 28, 1879	do	4,000 00
			May 30, 1879	do	4,000 00
			May 31, 1879	do	8,000 00
			June 2, 1879	do	8,000 00
			June 7, 1879	do	10,000 00
			June 14, 1879	do	11,000 00
			June 14, 1879	By transfer to Treasurer United States	567 34
		112,567 34			112,567 34
	J. Faber, Prattville, Ala.:				
May 24, 1879	Subscription	201 16	June 18, 1879	By transfer to assistant treasurer New Orleans	2,000 00
May 30, 1879	do	905 93	June 18, 1879	By transfer to Treasurer United States	13 31
June 7, 1879	do	906 22			
		2,013 31			2,013 31
	Henry Cochran, Selma, Ala.:				
June 7, 1879	Subscription	10,069 45	June 10, 1879	By transfer to assistant treasurer New Orleans	10,000 00
			June 10, 1879	By transfer to Treasurer United States	69 45
		10,069 45			10,069 45

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	James R. Turner, Poplar Grove, Ark.:				
May 31, 1879	Subscription	$140 87	July 5, 1879	By transfer to assistant treasurer Saint Louis	$1,000 00
June 14, 1879	do	866 50	July 5, 1879	By transfer to Treasurer United States	7 37
		1,007 37			1,007 37
	Henry F. Best, Texarkana, Ark.:				
May 24, 1879	Subscription	502 91	May 31, 1879	By transfer to Treasurer United States	502 95
May 31, 1879	do	251 59	June 7, 1879	do	499 90
June 7, 1879	do	251 80	July 31, 1879	do	3 45
		1,006 30			1,006 30
	H. S. Fitzgerald, Yuma, Ariz.:				
May 24, 1879	Subscription	875 22	June 14, 1879	By transfer to Treasurer United States	1,006 07
May 31, 1879	do	130 85			
		1,006 07			1,006 07
	Charles E. Bristol, Ansonia, Conn.:				
May 31, 1879	Subscription	10,064 49	May 31, 1879	By transfer to assistant treasurer New York	5,000 00
June 7, 1879	do	3,021 00	June 3, 1879	do	5,000 00
			June 7, 1879	By transfer to Treasurer United States	85 49
			June 11, 1879	By transfer to assistant treasurer New York	3,000 00
		13,085 49			13,085 49
	J. W. Knowlton, Bridgeport, Conn.:				
May 10, 1879	Subscription	10,041 08	May 13, 1879	By transfer to assistant treasurer New York	10,000 00
May 17, 1879	do	35,168 11	May 14, 1879	do	10,000 00
May 24, 1879	do	70,385 94	May 15, 1879	do	5,000 00
May 31, 1879	do	75,469 49	May 16, 1879	do	10,000 00
June 7, 1879	do	15,102 00	May 17, 1879	do	10,000 00
			May 19, 1879	do	10,000 00
			May 20, 1879	do	10,000 00
			May 21, 1879	do	10,000 00
			May 22, 1879	do	20,000 00
			May 24, 1879	do	20,000 00
			May 26, 1879	do	15,000 00
			May 27, 1879	do	15,000 00
			May 28, 1879	do	15,000 00
			May 29, 1879	do	15,000 00
			June 2, 1879	do	15,000 00
			June 9, 1879	do	16,000 00

			June 9, 1879	By transfer to Treasurer United States	166 62
		206, 166 62			206, 166 62
	S. M. Norton, Bristol, Conn.:				
June 7, 1879	Subscription	5, 034 00	June 9, 1879	By transfer to assistant treasurer New York	5, 000 00
			June 9, 1879	By transfer to Treasurer United States	34 00
		5, 034 00			5, 034 00
	Ezra Sprague, Birmingham, Conn.:				
May 24, 1879	Subscription	5, 029 04	May 28, 1879	By transfer to assistant treasurer New York	5, 000 00
May 31, 1879	....do	5, 031 23	June 3, 1879	....do	5, 000 00
June 7, 1879	....do	5, 034 52	June 9, 1879	....do	5, 000 00
			June 9, 1879	By transfer to Treasurer United States	94 79
		15, 094 79			15, 094 79
	E. A. Hough, Collinsville, Conn.:				
Apr. 12, 1879	Subscription	100 10	May 2, 1879	By transfer to assistant treasurer New York	1, 000 00
Apr. 19, 1879	....do	40 08	May 16, 1879	....do	1, 000 00
Apr. 30, 1879	....do	751 72	May 23, 1879	....do	1, 000 00
May 10, 1879	....do	1, 114 24	May 29, 1879	....do	1, 000 00
May 17, 1879	....do	874 06	June 4, 1879	....do	1, 000 00
May 24, 1879	....do	1, 136 44	July 19, 1879	By transfer to Treasurer United States	1, 031 43
May 31, 1879	....do	503 23			
June 7, 1879	....do	976 90			
June 14, 1879	....do	302 38			
June 21, 1879	....do	151 32			
July 19, 1879	....do	80 96			
		6, 031 43			6, 031 43
	Charles Griswold, Guilford, Conn.:				
Apr. 5, 1879	Subscription	30 02	May 14, 1879	By transfer to assistant treasurer New York	1, 000 09
Apr. 12, 1879	....do	20 02	May 21, 1879	....do	1, 000 00
Apr. 19, 1879	....do	30 06	May 26, 1879	....do	1, 000 00
May 10, 1879	....do	923 84	May 30, 1879	....do	1, 000 00
May 17, 1879	....do	1, 004 99	June 3, 1879	....do	1, 000 00
May 24, 1879	....do	1, 005 60	June 10, 1879	....do	1, 000 06
May 31, 1879	....do	2, 012 70	June 10, 1879	By transfer to Treasurer United States	34 23
June 7, 1879	....do	1, 007 00			
		6, 034 23			6, 034 23
	Joseph R. Clark, Milford, Conn.:				
May 24, 1879	Subscription	4, 827 65	May 29, 1879	By transfer to assistant treasurer New York	6, 000 00
May 31, 1879	....do	4, 830 69	June 11, 1879	....do	6, 000 00
June 7, 1879	....do	2, 416 55	June 13, 1879	By transfer to treasurer United States	74 89
		12, 074 89			12, 074 89

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	J. A. Rathbun, Mystic Bridge, Conn.:				
May 17, 1879	Subscription	$6,029 68	May 17, 1879	By transfer to assistant treasurer New York	$2,000 00
May 24, 1879	do	18,102 82	May 19, 1879	do	2,000 00
May 31, 1879	do	20,126 27	May 21, 1879	do	4,000 00
June 7, 1879	do	4,027 60	May 22, 1879	do	4,000 00
			May 23, 1879	do	4,000 00
			May 24, 1879	do	4,000 00
			May 26, 1879	do	4,000 00
			May 27, 1879	do	4,000 00
			May 28, 1879	do	4,000 00
			May 29, 1879	do	4,000 00
			May 30, 1879	do	4,000 00
			June 3, 1879	do	4,000 00
			June 12, 1879	do	4,000 00
			June 14, 1879	By transfer to Treasurer United States	286 37
		48,286 37			48,286 37
	Charles Olmstead, Norwalk, Conn.:				
May 31, 1879	Subscription	15,120 63	June 9, 1879	By transfer to assistant treasurer New York	20,000 00
June 7, 1879	do	5,014 37	June 10, 1879	By transfer to Treasurer United States	135 00
		20,135 00			20,135 00
	William H. Tubbs, New London, Conn.:				
May 17, 1879	Subscription	6,028 20	May 15, 1879	By transfer to assistant treasurer New York	3,000 00
May 24, 1879	do	6,033 33	May 17, 1879	do	3,000 90
May 31, 1879	do	6,038 40	May 21, 1879	do	3,000 00
June 7, 1879	do	3,021 23	May 26, 1879	do	3,000 00
			May 28, 1879	do	3,000 09
			June 3, 1879	do	3,000 00
			June 3, 1879	By transfer to Treasurer United States	121 16
			June 12, 1879	By transfer to assistant treasurer New York	3,000 00
		21,121 16			21,121 16
	N. D. Sperry, New Haven, Conn.:				
Apr. 19, 1879	Subscription	5,010 00	Apr. 22, 1879	By transfer to assistant treasurer New York	5,000 00
Apr. 30, 1879	do	30,088 40	Apr. 24, 1879	do	5,000 00
May 10, 1879	do	125,496 10	Apr. 26, 1879	do	5,000 00
May 17, 1879	do	70,335 06	Apr. 28, 1879	do	5,000 00
May 24, 1879	do	60,330 00	Apr. 29, 1879	do	5,000 00
May 31, 1879	do	105,655 58	Apr. 30, 1879	do	5,000 00
June 7, 1879	do	25,169 67	May 1, 1879	do	5,000 00
June 14, 1879	do	2 48	May 2, 1879	do	5,000 00

			May 3, 1879	....do	5,000 00
			May 4, 1879	....do	5,000 00
			May 7, 1879	....do	25,000 00
			May 8, 1879	....do	25,000 00
			May 9, 1879	....do	25,000 00
			May 12, 1879	....do	10,000 00
			May 13, 1879	....do	25,000 00
			May 14, 1879	....do	10,000 00
			May 16, 1879	....do	20,000 00
			May 17, 1879	....do	26,000 00
			May 19, 1879	....do	10,000 00
			May 21, 1879	....do	10,000 00
			May 22, 1879	....do	10,000 00
			May 23, 1879	....do	10,000 00
			May 24, 1879	....do	10,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	20,000 00
			May 28, 1879	....do	50,000 00
			May 29, 1879	....do	25,000 00
			June 2, 1879	....do	25,000 00
			June 12, 1879	....do	26,000 00
			June 24, 1879	By transfer to Treasurer United States	87 29
		422,087 29			422,087 29
	S. H. Canfield, Seymour, Conn.:				
May 17, 1879	Subscription	1,758 97	May 21, 1879	By transfer to assistant treasurer New York	2,000 00
May 24, 1879	....do	4,274 23	May 22, 1879	....do	2,000 00
May 31, 1879	....do	5,032 30	May 27, 1879	....do	2,000 00
June 7, 1879	....do	1,006 96	May 28, 1879	....do	2,000 00
			May 31, 1879	....do	2,000 00
			June 11, 1879	....do	2,000 00
			June 11, 1879	By transfer to Treasurer United States	72 46
		12,072 46			12,072 46
	T. J. Daskam, Stamford, Conn.:				
May 10, 1879	Subscription	30,123 99	May 7, 1879	By transfer to assistant treasurer New York	10,000 00
May 17, 1879	....do	40,198 02	May 9, 1879	....do	10,000 00
May 24, 1879	....do	80,456 00	May 13, 1879	....do	10,000 00
May 31, 1879	....do	85,540 50	May 14, 1879	....do	10,000 00
June 7, 1879	....do	15,105 00	May 16, 1879	....do	10,000 00
			May 17, 1879	....do	10,000 00
			May 19, 1879	....do	10,000 00
			May 20, 1879	....do	10,000 00
			May 21, 1879	....do	10,000 00
			May 22, 1879	....do	10,000 00
			May 23, 1879	....do	10,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	20,000 00
			May 27, 1879	....do	20,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	T. J. Daskam, Stamford, Conn.—Continued.		May 28, 1879	By transfer to assistant treasurer New York	$15,000 00
			May 29, 1879	....do	15,000 00
			May 30, 1879	....do	15,000 00
			June 3, 1879	....do	20,000 00
			June 14, 1879	....do	16,000 00
			June 14, 1879	By transfer to Treasurer United States	423 51
		$251,423 51			251,423 51
	H. L. Roberts, Winsted, Conn.:				
May 24, 1879	Subscription	25,138 77	May 28, 1879	By transfer to assistant treasurer New York	25,000 00
May 31, 1879	....do	20,126 00	June 3, 1879	....do	20,000 00
June 7, 1879	....do	15,103 50	June 10, 1879	By transfer to Treasurer United States	368 27
			June 11, 1879	By transfer to assistant treasurer New York	15,000 00
		60,368 27			60,368 27
	B. Frank Marsh, West Winsted, Conn.:				
May 10, 1879	Subscription	10,642 00	May 14, 1879	By transfer to assistant treasurer New York	10,000 00
May 17, 1879	....do	5,021 00	May 19, 1879	....do	5,000 00
May 24, 1879	....do	65,366 00	May 21, 1879	....do	10,000 00
May 31, 1879	....do	45,287 00	May 22, 1879	....do	5,000 00
June 7, 1879	....do	10,069 00	May 24, 1879	....do	10,000 00
			May 27, 1879	....do	20,000 00
			May 28, 1879	....do	15,000 00
			May 29, 1879	....do	15,000 00
			May 31, 1879	....do	20,000 00
			June 3, 1879	....do	15,000 00
			June 10, 1879	By transfer to Treasurer United States	788 00
			June 11, 1879	By transfer to assistant treasurer New York	10,000 00
		135,788 00			135,788 00
	Erwin D. Hall, West Meriden, Conn.:				
May 31, 1879	Subscription	6,038 17	May 30, 1879	By transfer to assistant treasurer New York	3,000 00
			June 11, 1879	....do	3,000 00
			June 11, 1879	By transfer to Treasurer United States	38 17
		6,038 17			6,038 17
	O. R. Tyler, Wolcottville, Conn.:				
May 24, 1879	Subscription	6,033 52	May 28, 1879	By transfer to assistant treasurer New York	6,000 00
May 31, 1879	....do	6,036 80	June 3, 1879	....do	6,000 00
June 7, 1879	....do	6,041 40	June 10, 1879	....do	6,000 00

June 21, 1879	.....do	1 00	June 19, 1879	By transfer to Treasurer United States	112 72
		18,112 72			18,112 72
	John W. Hill, Waterbury, Conn.:				
May 31, 1879	Subscription	15,094 47	June 3, 1879	By transfer to assistant treasurer New York	15,000 00
June 7, 1879	.....do	20,139 03	June 9, 1879	By transfer to Treasurer United States	233 50
			June 10, 1879	By transfer to assistant treasurer New York	20,000 00
		35,233 50			35,233 50
	John W. Ganley, Silver Plume, Colo:				
May 10, 1879	Subscription	271 14	July 8, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 24, 1879	.....do	20 11	July 8, 1879	By transfer to Treasurer United States	6 76
June 7, 1879	.....do	110 82			
June 14, 1879	.....do	604 69			
		1,006 76			1,006 76
	J. R. Dunkelberger, Los Angeles, Cal.:				
May 31, 1879	Subscription	5,029 91	June 10, 1879	By transfer to assistant treasurer San Francisco	5,000 00
June 14, 1879	.....do	5,038 16	July 1, 1879	.....do	5,000 00
			July 10, 1879	.....do	68 07
		10,068 07			10,068 07
	James P. Greves, Riverside, Cal.:				
May 10, 1879	Subscription	10 04	July 17, 1879	By transfer to assistant treasurer San Francisco	352 19
May 17, 1879	.....do	40 20			
May 31, 1879	.....do	251 50			
June 30, 1879	.....do	50 45			
		352 19			352 19
	H. G. Allen, San Andreas, Cal.:				
June 7, 1879	Subscription	433 06	July 17, 1879	By transfer to assistant treasurer San Francisco	453 23
June 21, 1879	.....do	20 17			
		453 23			453 23
	John Landis, Wheatland, Cal.:				
May 31, 1879	Subscription	100 62	July 19, 1879	By transfer to assistant treasurer San Francisco	1,009 27
June 7, 1879	.....do	100 74			
June 30, 1879	.....do	807 91			
		1,009 27			1,009 27

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date	Character of credits.	Amount.
	Lawrence G. Boggs, Washington, D. C.:				
May 24, 1879	Subscription	$30,171 00	May 22, 1879	By transfer to Treasurer United States	$10,000 00
May 31, 1879	do	20,121 00	May 23, 1879	do	10,000 00
			May 24, 1879	do	10,171 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	10,121 00
		50,292 00			50,292 00
	J. O. P. Burnside, Washington, D. C.:				
May 17, 1879	Subscription	60,291 02	May 14, 1879	By transfer to Treasurer United States	15,070 50
May 24, 1879	do	75,413 96	May 15, 1879	do	15,072 00
May 31, 1879	do	25,151 00	May 16, 1879	do	15,073 40
			May 19, 1879	do	15,075 12
			May 20, 1879	do	15,079 50
			May 21, 1879	do	15,080 99
			May 22, 1879	do	15,082 48
			May 23, 1879	do	10,055 99
			May 24, 1879	do	20,115 00
			May 27, 1879	do	15,090 00
			May 28, 1879	do	10,061 00
		160,855 98			160,855 98
	Zabina Ellis, Washington, D. C.:				
May 31, 1879	Subscription	30,179 00	May 26, 1879	By transfer to Treasurer United States	20,058 00
			May 27, 1879	do	10,060 00
			May 28, 1879	do	10,061 00
		30,179 00			30,179 00
	Edwin S. Collamer, Washington, D. C.:				
May 24, 1879	Subscription	70,383 00	May 19, 1879	By transfer to Treasurer United States	10,050 00
May 31, 1879	do	20,121 00	May 20, 1879	do	20,107 00
			May 21, 1879	do	10,055 00
			May 22, 1879	do	10,056 00
			May 23, 1879	do	10,057 00
			May 24, 1879	do	10,058 00
			May 26, 1879	do	10,060 00
			May 27, 1879	do	10,061 00
		90,504 00			90,504 00
	H. W. Howgate, Washington, D. C.:				
May 24, 1879	Subscription	10,058 00	May 24, 1879	By transfer to Treasurer United States	10,058 00

May 31, 1879	.....do	20,121 00	May 26, 1879	.....do	10,060 00
			May 27, 1879	.....do	10,061 00
		30,179 00			30,179 00
	Thomas J. Hobbs, Washington, D. C.:				
May 17, 1879	Subscription	40,195 00	May 14, 1879	By transfer to Treasurer United States	10,000 00
May 24, 1879	.....do	60,333 00	May 15, 1879	.....do	5,000 00
May 31, 1879	.....do	20,121 00	May 16, 1879	.....do	15,000 00
			May 17, 1879	.....do	10,000 00
			May 19, 1879	.....do	10,000 00
			May 20, 1879	.....do	10,000 00
			May 21, 1879	.....do	10,000 00
			May 22, 1879	.....do	10,000 00
			May 23, 1879	.....do	10,000 00
			May 24, 1879	.....do	10,528 00
			May 26, 1879	.....do	10,000 00
			May 27, 1879	.....do	10,121 00
		120,649 00			120,649 00
	James M. Edmunds, Washington, D. C.:				
Apr. 30, 1879	Subscription	45,644 60	Apr. 29, 1879	By transfer to Treasurer United States	10,031 00
May 10, 1879	.....do	415,556 80	Apr. 30, 1879	.....do	25,532 00
May 17, 1879	.....do	135,638 50	May 1, 1879	.....do	49,081 60
May 24, 1879	.....do	120,666 00	May 2, 1879	.....do	49,161 70
May 31, 1879	.....do	40,242 00	May 3, 1879	.....do	51,166 60
			May 5, 1879	.....do	54,178 50
			May 6, 1879	.....do	46,199 80
			May 7, 1879	.....do	67,174 80
			May 8, 1879	.....do	65,268 00
			May 9, 1879	.....do	31,308 50
			May 10, 1879	.....do	22,098 90
			May 12, 1879	.....do	35,112 50
			May 13, 1879	.....do	10,138 00
			May 14, 1879	.....do	20,094 00
			May 15, 1879	.....do	15,000 00
			May 16, 1879	.....do	23,096 00
			May 17, 1879	.....do	22,198 00
			May 19, 1879	.....do	20,106 00
			May 20, 1879	.....do	20,108 00
			May 21, 1879	.....do	20,110 00
			May 22, 1879	.....do	20,112 00
			May 23, 1879	.....do	19,000 00
			May 24, 1879	.....do	21,230 00
			May 26, 1879	.....do	18,000 00
			May 27, 1879	.....do	22,242 00
		757,747 90			757,747 90

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	James Eveleth, Washington, D. C.:				
May 24, 1879	Subscription	$30,174 00	May 23, 1879	By transfer to Treasurer United States	$9,510 00
May 31, 1879	....do	20,121 00	May 24, 1879	....do	10,000 00
			May 26, 1879	....do	10,600 00
			May 27, 1879	....do	10,122 00
			May 28, 1879	....do	10,063 00
		50,295 00			50,295 00
	Richard Joseph, Washington, D. C.:				
May 10, 1879	Subscription	40,168 75	May 9, 1879	By transfer to Treasurer United States	10,000 00
May 17, 1879	....do	100,472 50	May 10, 1879	....do	15,000 00
May 24, 1879	....do	85,471 00	May 12, 1879	....do	25,000 00
May 31, 1879	....do	20,121 00	May 13, 1879	....do	15,000 00
			May 14, 1879	....do	15,000 00
			May 15, 1879	....do	15,000 00
			May 16, 1879	....do	15,000 00
			May 17, 1879	....do	15,000 00
			May 19, 1879	....do	15,000 00
			May 20, 1879	....do	15,000 00
			May 21, 1879	....do	30,000 00
			May 23, 1879	....do	15,000 00
			May 24, 1879	....do	25,000 00
			May 26, 1879	....do	10,000 00
			May 28, 1879	....do	11,233 25
		246,233 25			246,233 25
	Edwin M. Lawton, Washington, D. C.:				
May 24, 1879	Subscription	30,171 00	May 22, 1879	By transfer to Treasurer United States	10,056 00
May 31, 1879	....do	20,121 00	May 23, 1879	....do	10,057 00
			May 24, 1879	....do	10,058 00
			May 26, 1879	....do	10,060 00
			May 28, 1879	....do	10,061 00
		50,292 00			50,292 00
	Samuel Mulliken, Washington, D. C.:				
May 31, 1879	Subscription	60,347 50	May 21, 1879	By transfer to Treasurer United States	10,055 50
			May 23, 1879	....do	10,056 60
			May 24, 1879	....do	10,057 50
			May 25, 1879	....do	5,028 00
			May 26, 1879	....do	10,059 00
			May 27, 1879	....do	10,060 50
			May 28, 1879	....do	5,030 50
		60,347 50			60,347 50

	F. H. Stickney, Washington, D. C.:				
May 31, 1879	Subscription	65,377 91	May 21, 1879	By transfer to Treasurer United States	14,762 38
			May 22, 1879	do	10,378 82
			May 23, 1879	do	10,056 99
			May 24, 1879	do	10,058 08
			May 26, 1879	do	10,060 27
			May 27, 1879	do	10,061 37
		65,377 91			65,377 91
	John Clyde Sullivan, Washington, D. C.:				
May 31, 1879	Subscription	40,238 00	May 24, 1879	By transfer to Treasurer United States	10,058 00
June 30, 1879	do	4 14	May 26, 1879	do	10,058 00
			May 27, 1879	do	9,360 00
			May 28, 1879	do	10,762 00
			June 24, 1879	do	4 14
		40,242 14			40,242 14
	J. A. Smith, Washington, D. C.:				
May 31, 1879	Subscription	95,544 70	May 20, 1879	By transfer to Treasurer United States	15,080 55
			May 21, 1879	do	15,082 20
			May 22, 1879	do	15,083 85
			May 23, 1879	do	10,057 00
			May 24, 1879	do	10,058 08
			May 26, 1879	do	10,059 18
			May 27, 1879	do	10,061 37
			May 28, 1879	do	10,062 47
		95,544 70			95,544 70
	Francis Dodge, Georgetown, D. C.:				
May 17, 1879	Subscription	30,147 08	May 15, 1879	By transfer to Treasurer United States	5,022 00
May 24, 1879	do	60,333 00	May 16, 1879	do	10,948 58
May 31, 1879	do	20,121 00	May 17, 1879	do	10,051 50
			May 19, 1879	do	10,051 50
			May 20, 1879	do	10,053 50
			May 21, 1879	do	10,054 50
			May 22, 1879	do	10,055 50
			May 23, 1879	do	10,056 50
			May 24, 1879	do	10,057 50
			May 26, 1879	do	10,059 00
			May 27, 1879	do	10,060 50
			May 28, 1879	do	5,030 50
		110,601 08			110,601 08
	C. A. Lounsberry, Bismarck, Dak.:				
May 17, 1879	Subscription	1,005 00	May 29, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 31, 1879	do	1,006 50	June 9, 1879	do	3,000 00
June 14, 1879	do	3,023 10	June 25, 1879	do	1,000 00
			June 30, 1879	By transfer to Treasurer United States	34 60
		5,034 60			5,034 60

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	William M. Pyle, Wilmington, Del.:				
May 24, 1879	Subscription	$10,057 00	May 24, 1879	By transfer to assistant treasurer New York	$10,000 00
May 31, 1879	do	15,093 50	May 29, 1879	do	10,000 00
			June 9, 1879	do	5,000 00
			June 9, 1879	do	150 50
		25,150 50			25,150 50
	C. W. Arnold, Albany, Ga.:				
Apr. 30, 1879	Subscription	10 03	July 14, 1879	By transfer to Treasurer United States	573 49
May 10, 1879	do	20 08			
May 17, 1879	do	301 50			
June 7, 1879	do	40 28			
June 14, 1879	do	201 60			
		573 49			573 49
	Benjamin Conley, Atlanta, Ga.:				
May 17, 1879	Subscription	5,025 75	May 23, 1879	By transfer to assistant treasurer New Orleans	5,000 00
May 24, 1879	do	10,058 52	May 24, 1879	do	5,000 00
May 31, 1879	do	45,289 95	May 26, 1879	do	10,000 00
			May 27, 1879	do	5,000 00
			May 28, 1879	do	5,000 00
			May 30, 1879	do	15,000 00
			May 31, 1879	do	10,000 00
			June 7, 1879	do	5,000 00
			June 7, 1879	By transfer to Treasurer United States	374 22
		60,374 22			60,374 22
	James Longstreet, Gainesville, Ga.:				
May 10, 1879	Subscription	311 01	June 3, 1879	By transfer to assistant treasurer New Orleans	1,000 00
May 24, 1879	do	301 71	Aug. 29, 1879	By transfer to Treasurer United States	922 09
June 7, 1879	do	1,006 96			
June 14, 1879	do	302 41			
		1,922 09			1,922 09
	H. S. Glover, Macon, Ga.:				
Apr. 12, 1879	Subscription	5,005 41	Apr. 14, 1879	By transfer to Treasurer United States	1,000 00
Apr. 19, 1879	do	3,546 24	Apr. 17, 1879	do	3,000 00
Apr. 30, 1879	do	1,734 04	Apr. 21, 1879	do	1,000 00
May 10, 1879	do	491 90	Apr. 21, 1879	By transfer to assistant treasurer, New Orleans	1,000 00
May 17, 1879	do	1,246 03	Apr. 24, 1879	By transfer to Treasurer United States	2,000 00

May 24, 1879	....do	5,028 33	Apr. 29, 1879	....do	2,000 00
May 31, 1879	....do	15,096 90	May 24, 1879	....do	2,000 00
			May 27, 1879	By transfer to assistant treasurer New Orleans	2,000 00
			May 29, 1879	....do	5,000 00
			May 31, 1879	....do	5,000 00
			June 7, 1879	....do	8,000 00
			June 7, 1879	By transfer to Treasurer United States	148 95
		32,148 95			32,148 95
	Z. B. Hargrove, Rome, Ga.:				
June 7, 1879	Subscription	10,069 30	June 12, 1879	By transfer to assistant treasurer New Orleans	10,000 00
			June 27, 1879	By transfer to Treasurer United States	69 30
		10,069 30			10,069 30
	Edward G. Wade, Savannah, Ga.:				
Apr. 12, 1879	Subscription	670 65	Apr. 21, 1879	By transfer to assistant treasurer New Orleans	2,000 00
Apr. 19, 1879	....do	1,332 39	Apr. 25, 1879	By transfer to Treasurer United States	2,500 00
Apr. 30, 1879	....do	5,013 58	May 1, 1879	....do	2,000 00
May 10, 1879	....do	5,018 18	May 2, 1879	....do	1,000 00
May 17, 1879	....do	5,526 76	May 8, 1879	By transfer to assistant treasurer New Orleans	2,000 00
May 24, 1879	....do	4,022 41	May 12, 1879	....do	1,000 00
May 31, 1879	....do	21,134 20	May 15, 1879	....do	2,000 00
June 7, 1879	....do	10,069 00	May 17, 1879	By transfer to assistant treasurer New York	2,000 00
			May 19, 1879	By transfer to assistant treasurer New Orleans	2,000 00
			May 22, 1879	....do	2,000 90
			May 26, 1879	....do	4,000 00
			May 28, 1879	....do	2,000 00
			May 29, 1879	....do	2,000 00
			May 30, 1879	....do	6,000 00
			May 31, 1879	....do	10,000 00
			June 9, 1879	....do	10,000 00
			June 10, 1879	By transfer to Treasurer United States	287.17
		52,787 17			52,787 17
	Joseph Rainier, Auburn, Ind.:				
Apr. 12, 1879	Subscription	510 50	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	....do	10 02	June 14, 1879	....do	1,000 00
Apr. 30, 1879	....do	581 43	June 14, 1879	By transfer to Treasurer United States	8 04
May 10, 1879	....do	20 08			
May 17, 1879	....do	100 48			
May 31, 1879	....do	201 32			
June 7, 1879	....do	584 21			
		2,008 04			2,008 04
	J. Bartholomew, Arcadia, Ind.:				
June 14, 1879	Subscription	700 00	July 19, 1879	By transfer to Treasurer United States	705 53
June 21, 1879	....do	5 53			
		705 53			705 53

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	John Walker, Aurora, Ind.:				
May 17, 1879	Subscription	$1,005 00	May 24, 1879	By transfer to assistant treasurer New York	$1,000 00
May 24, 1879	....do	1,006 00	May 30, 1879	....do	1,000 00
May 31, 1879	....do	1,007 00	June 9, 1879	....do	1,000 00
June 7, 1879	....do	1,007 00	June 30, 1879	By transfer to Treasurer United States	1,000 00
June 30, 1879	....do	60	July 5, 1879	....do	25 00
			July 5, 1879	....do	60
		4,025 60			4,025 60
	William M. Winkler, Columbus, Ind.:				
May 31, 1879	Subscription	5,035 00	June 11, 1879	By transfer to assistant treasurer New York	5,000 00
			June 16, 1879	By transfer to Treasurer United States	35 00
		5,035 00			5,035 00
	J. A. Blossom, Decatur, Ind.:				
Apr. 30, 1879	Subscription	120 28	May 17, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	803 33	May 28, 1879	....do	1,000 00
May 17, 1879	....do	502 50	June 3, 1879	....do	1,000 00
May 24, 1879	....do	502 60	June 6, 1879	....do	1,000 00
May 31, 1879	....do	1,006 25	June 20, 1879	....do	1,000 00
June 7, 1879	....do	1,762 37	June 20, 1879	By transfer to Treasurer United States	29 82
June 14, 1879	....do	332 49			
		5,029 82			5,029 82
	J. C. Jewell, Evansville, Ind.:				
Apr. 12, 1879	Subscription	390 39	Apr. 26, 1879	By transfer to assistant treasurer New York	5,000 00
Apr. 19, 1879	....do	4,619 22	May 1, 1879	....do	10,000 00
Apr. 30, 1879	....do	10,028 50	May 6, 1879	....do	2,000 00
May 10, 1879	....do	16,061 15	May 8, 1879	....do	5,000 00
May 17, 1879	....do	12,059 18	May 10, 1879	....do	2,000 00
May 24, 1879	....do	31,179 61	May 13, 1879	....do	7,000 00
May 31, 1879	....do	50,319 98	May 16, 1879	....do	2,000 00
June 7, 1879	....do	20,139 17	May 21, 1879	....do	1,000 00
			May 22, 1879	....do	10,000 00
			May 23, 1879	....do	10,000 00
			May 24, 1879	....do	10,000 00
			May 26, 1879	....do	20,000 00
			May 27, 1879	....do	10,000 00
			May 30, 1879	....do	20,000 00
			June 2, 1879	....do	20,000 00
			June 11, 1879	....do	10,000 00

			June 19, 1879	By transfer to assistant treasurer Cincinnati	797 20
		144,797 20			144,797 20
	F. W. Keil, Fort Wayne, Ind.:				
Apr. 19, 1879	Subscription	841 52	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	2,266 39	May 1, 1879	do	1,000 00
May 10, 1879	do	3,413 29	May 5, 1879	do	1,000 00
May 17, 1879	do	8,198 84	May 7, 1879	do	1,000 00
May 24, 1879	do	6,375 73	May 8, 1879	do	1,000 00
May 31, 1879	do	15,097 55	May 15, 1879	do	5,000 00
			May 16, 1879	do	5,000 00
			May 23, 1879	do	5,000 00
			May 29, 1879	do	5,000 00
			May 30, 1879	do	5,000 00
			May 31, 1879	do	193 32
			June 12, 1879	By transfer to Treasurer United States	5,000 00
			June 13, 1879	By transfer to assistant treasurer New York	
		36,193 32			36,193 32
	William B. Canine, Goodland, Ind.:				
June 14, 1879	Subscription	3,020 73	June 9, 1879	By transfer to assistant treasurer New York	3,000 00
			June 9, 1879	By transfer to Treasurer United States	20 73
		3,020 73			3,020 73
	W. R. Holloway, Indianapolis, Ind.:				
May 17, 1879	Subscription	5,025 21	May 21, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	15,086 59	May 23, 1879	do	5,000 00
May 31, 1879	do	75,481 17	May 24, 1879	do	25,000 00
June 7, 1879	do	20,138 08	May 26, 1879	do	20,000 00
			May 29, 1879	do	20,000 00
			May 30, 1879	do	10,000 00
			May 31, 1870	do	20,000 00
			June 2, 1879	do	5,000 00
			June 12, 1879	do	731 05
			June 12, 1879	By transfer to Treasurer United States	
		115,731 05			115,731 05
	Hiram M. Goodspeed, Ligonier, Ind.:				
Apr. 30, 1879	Subscription	220 55	May 22, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	10 04	May 29, 1879	do	1,000 00
May 17, 1879	do	773 85	June 3, 1879	do	1,000 00
May 24, 1879	do	1,005 70	June 19, 1879	By transfer to Treasurer United States	13 55
May 31, 1879	do	1,006 40	June 20, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	do	1,007 01	June 28, 1879	By transfer to Treasurer United States	10 00
		4,023 55			4,023 55

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Esther M. Speed, La Grange, Ind.:		Apr. 21, 1879	By transfer to assistant treasurer New York	$1,000 00
Apr. 12, 1879	Subscription	$880 88	May 24, 1879	do	1,000 00
Apr. 19, 1879	do	621 14	May 29, 1879	do	1,000 00
Apr. 30, 1879	do	80 23	May 31, 1879	do	1,000 00
May 10, 1879	do	180 77	June 2, 1879	do	1,000 00
May 17, 1879	do	140 68	June 21, 1879	do	1,000 00
May 24, 1879	do	2,111 76	June 21, 1879	do	55 61
May 31, 1879	do	4,026 10			
June 7, 1879	do	2,014 05			
		10,055 61			10,055 61
	James T. Vaughan, Lawrenceburgh, Ind.:		June 14, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	Subscription	10,071 15	June 14, 1879	By transfer to Treasurer United States	71 15
		10,071 15			10,071 15
	Samuel Cook, Mitchell, Ind.:		June 17, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	Subscription	320 64	June 21, 1879	By transfer to Treasurer United States	3 48
Apr. 30, 1879	do	320 69			
May 10, 1879	do	20 07			
May 31, 1879	do	321 92			
June 7, 1879	do	10 07			
June 21, 1879	do	10 09			
		1,003 48			1,003 48
	M. C. Garber, Madison, Ind.:		June 13, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	Subscription	10,070 00	June 24, 1879	By transfer to Treasurer United States	70 00
		10,070 00			10,070 00
	Julius C. Miller, New Harmony, Ind.:		June 2, 1879	By transfer to assistant treasurer New York	2,000 00
May 24, 1879	Subscription	1,407 55	June 17, 1879	do	2,000 00
May 31, 1879	do	603 85	July 2, 1879	By transfer to Treasurer United States	45 74
June 14, 1879	do	2,016 22	July 3, 1879	By transfer to assistant treasurer New York	2,000 00
June 21, 1879	do	100 85			
June 30, 1879	do	1,917 27			
		6,045 74			6,045 74

	W. S. Prather, North Vernon, Ind.:				
June 7, 1879	Subscription	7,291 71	June 16, 1879	By transfer to assistant treasurer New York	7,000 00
June 14, 1879	do	2,781 59	June 17, 1879	do	3,000 00
			June 20, 1879	By transfer to Treasurer United States	73 30
		10,073 30			10,073 30
	C. Schneider, Orland, Ind.:				
Apr. 12, 1879	Subscription	590 75	May 10, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	40 07	May 31, 1879	do	1,000 00
May 10, 1879	do	371 45	June 10, 1879	do	1,000 00
May 17, 1879	do	30 15	June 30, 1879	By transfer to Treasurer United States	15 70
May 24, 1879	do	30 16			
May 31, 1879	do	945 83			
June 7, 1879	do	1,007 29			
		3,015 70			3,015 70
	Nimrod Headington, Portland, Ind.:				
Apr. 12, 1879	Subscription	80 08	June 6, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	10 02	June 19, 1879	do	1,000 00
May 10, 1879	do	50 20	June 19, 1879	By transfer to Treasurer United States	13 15
May 17, 1879	do	10 05			
May 31, 1879	do	855 46			
June 7, 1879	do	1,007 34			
		2,013 15			2,013 15
	Almon Samson, Richmond, Ind.:				
May 31, 1879	Subscription	2,013 00	June 11, 1879	By transfer to assistant treasurer New York	2,000 00
			June 11, 1879	By transfer to Treasurer United States	13 00
		2,013 00			2,013 00
	George Pfleger, South Bend, Ind.:				
May 17, 1879	Subscription	5,025 00	May 23, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	10,057 01	May 29, 1879	do	10,000 00
May 31, 1879	do	10,064 00	June 2, 1879	do	20,000 00
June 7, 1879	do	20,139 02	June 13, 1879	By transfer to assistant treasurer Chicago	10,000 00
			June 14, 1879	By transfer to Treasurer United States	285 03
		45,285 03			45,285 03
	N. Filbeck, Terre Haute, Ind.:				
Apr. 5, 1879	Subscription	320 32	Apr. 17, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	do	680 68	Apr. 19, 1879	do	1,000 00
Apr. 19, 1879	do	1,051 06	May 16, 1879	do	1,000 00
Apr. 30, 1879	do	170 44	May 24, 1879	do	3,000 00
May 10, 1879	do	1,405 58	May 30, 1879	do	2,000 00
May 17, 1879	do	1,406 79	June 2, 1879	do	4,000 00
May 24, 1879	do	3,017 00	June 14, 1879	do	2,000 00
May 31, 1879	do	2,012 00	June 14, 1879	By transfer to Treasurer United States	71 91
June 7, 1879	do	4,028 04			
		14,071 91			14,071 91

DR. *Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.*—Continued. CR.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	W. N. Denny, Vincennes, Ind.:				
Apr. 12, 1879	Subscription	$1,001 00	Apr. 17, 1879	By transfer to assistant treasurer New York	$1,000 00
Apr. 19, 1879	....do	210 42	Apr. 26, 1879	....do	2,000 00
Apr. 30, 1879	....do	3,799 58	Apr. 29, 1879	....do	1,000 00
May 10, 1879	....do	3,282 98	Apr. 30, 1879	....do	1,000 00
May 17, 1879	....do	1,738 50	May 7, 1879	....do	2,000 00
May 24, 1879	....do	2,012 00	May 15, 1879	....do	3,000 00
May 31, 1879	....do	6,038 00	May 21, 1879	....do	2,000 00
June 7, 1879	....do	2,014 00	May 26, 1879	....do	2,000 00
June 21, 1879	....do	15	May 29, 1879	....do	2,000 00
			May 31, 1879	....do	2,000 00
			June 4, 1879	....do	2,000 00
			July 4, 1879	By transfer to Treasurer United States	96 63
		20,096 63			20,096 63
	John W. Brown, West Lebanon, Ind.:				
Apr. 12, 1879	Subscription	1,001 20	Apr. 19, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	....do	601 25	May 1, 1879	....do	1,000 00
Apr. 30, 1879	....do	1,403 88	May 7, 1879	....do	1,000 00
May 10, 1879	....do	40 16	June 13, 1879	....do	1,000 00
May 31, 1879	....do	704 48	July 14, 1879	....do	1,000 00
June 7, 1879	....do	261 85	July 14, 1879	....do	21 92
June 14, 1879	....do	231 83			
June 21, 1879	....do	100 89			
June 30, 1879	....do	676 38			
		5,021 92			5,021 92
	Elisha Hitchens, Williamsport, Ind.:				
May 10, 1879	Subscription	40 18	June 18, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	502 50	July 14, 1879	....do	1,015 14
May 31, 1879	....do	292 03			
June 7, 1879	....do	110 77			
June 14, 1879	....do	141 12			
June 21, 1879	....do	504 46			
June 30, 1879	....do	242 16			
July 5, 1879	....do	181 98			
		2,015 14			2,015 14
	Albion Horrall, Washington, Ind.:				
May 31, 1879	Subscription	1,006 25	June 4, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	....do	1,007 20	June 16, 1879	....do	1,000 00

June 14, 1879	....do	02	June 16, 1879	By transfer to Treasurer United States	13 47
		2,013 47			2,013 47
	John N. Runyan, Warsaw, Ind.:				
Apr. 12, 1879	Subscription	760 76	Apr. 24, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 19, 1879	....do	551 10	May 2, 1879	....do	2,000 00
Apr. 30, 1879	....do	1,694 77	May 5, 1879	....do	1,000 00
May 10, 1879	....do	3,020 94	May 10, 1879	....do	1,000 00
May 17, 1879	....do	2,673 20	May 20, 1879	....do	3,000 00
May 24, 1879	....do	3,449 50	May 24, 1879	....do	3,000 00
May 31, 1879	....do	18,015 49	May 26, 1879	....do	3,000 00
June 7, 1879	....do	3,020 70	May 28, 1879	....do	3,000 00
			May 29, 1879	....do	3,000 00
			May 30, 1879	....do	6,000 00
			May 31, 1879	....do	3,000 00
			June 9, 1879	....do	186 46
			June 10, 1879	By transfer to Treasurer United States	
		33,186 46			33,186 46
	Richard Powell, Xenia, Ind.:				
June 7, 1879	Subscription	60 07	July 17, 1879	By transfer to assistant treasurer New York	1,009 70
June 14, 1879	....do	35			
June 21, 1879	....do	353 10			
June 30, 1879	....do	212 00			
July 5, 1879	....do	384 18			
		1,009 70			1,009 70
	J. Y. Buchanan, Andrew, Iowa:				
May 10, 1879	Subscription	351 50	June 17, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 17, 1879	....do	20 10	July 12, 1879	By transfer to Treasurer United States	247 77
May 31, 1879	....do	20 13			
June 7, 1879	....do	825 76			
June 30, 1879	....do	30 28			
		1,247 77			1,247 77
	W. Francis, Ackley, Iowa:				
May 17, 1879	Subscription	50 23	June 7, 1879	By transfer to Treasurer United States	1,006 15
May 24, 1879	....do	10 06			
May 31, 1879	....do	945 86			
		1,006 15			1,006 15
	John D. Wilson, Belle Plaine, Iowa:				
May 31, 1879	Subscription	1,006 14	June 5, 1879	By transfer to assistant treasurer Chicago	10,000 00
June 7, 1879	....do	10,072 32	June 16, 1879	....do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	78 46
		11,078 46			11,078 46

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	John Scott, Calmar, Iowa:				
May 10, 1879	Subscription	$30 12	July 2, 1879	By transfer to Treasurer United States	$1,008 07
May 31, 1879	do	90 63			
June 7, 1879	do	201 40			
June 14, 1879	do	201 60			
June 21, 1879	do	201 80			
June 30, 1879	do	282 52			
		1,008 07			1,008 07
	John Beckwith, Des Moines, Iowa:				
May 31, 1879	Subscription	25,150 00	May 26, 1879	By transfer to assistant treasurer New York	25,000 00
June 7, 1879	do	20,142 50	June 14, 1879	By transfer to Treasurer United States	292 50
			June 18, 1879	By transfer to assistant treasurer New York	20,000 00
		45,292 50			45,292 50
	J. Fred. Meyers, Denison, Iowa:				
Apr. 19, 1879	Subscription	1,002 08	Apr. 30, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	2,006 56	May 10, 1879	do	2,000 00
May 10, 1879	do	2,008 80	May 20, 1879	do	2,000 00
May 24, 1879	do	2,010 96	May 27, 1879	do	2,000 00
May 31, 1879	do	6,037 91	May 28, 1879	do	2,000 00
June 7, 1879	do	2,014 25	May 31, 1879	do	2,000 00
			June 4, 1879	do	2,000 00
			June 17, 1879	do	2,000 00
			June 17, 1879	By transfer to Treasurer United States	80 56
		15,080 56			15,080 56
	Henry H. Moore, Keosaugua, Iowa:				
June 7, 1879	Subscription	805 84	June 19, 1879	By transfer to assistant treasurer Chicago	1,000 00
June 14, 1879	do	151 20	June 30, 1879	By transfer to Treasurer United States	6 27
June 21, 1879	do	50 43	July 10, 1879	do	1 23
July 19, 1879	do	03			
		1,007 50			1,007 50
	J. F. Wilson, Keota, Iowa:				
Apr. 30, 1879	Subscription	10 03	June 21, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 10, 1879	do	100 32	June 30, 1879	By transfer to Treasurer United States	7 75
May 31, 1879	do	20 12			
June 21, 1879	do	877 28			
		1,007 75			1,007 75

	Thomas Ward, Montrose, Iowa:				
May 31, 1879	Subscription	513 38	July 15, 1879	By transfer to Treasurer United States	614 07
June 7, 1879	do	100 69			
		614 07			614 07
	Rodolphus Hubbard, McGregor, Iowa:				
Apr. 19, 1879	Subscription	20 04	Apr. 29, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	1,985 57	May 8, 1879	do	1,000 00
May 10, 1879	do	1,004 21	May 16, 1879	do	1,000 00
May 17, 1879	do	1,005 10	May 23, 1879	do	1,000 00
May 24, 1879	do	1,005 81	May 27, 1879	do	1,000 00
May 31, 1879	do	1,006 25	June 2, 1879	do	1,000 00
June 7, 1879	do	2,013 91	June 3, 1879	do	1,000 00
			June 16, 1879	By transfer to assistant treasurer Chicago	1,000 00
			June 16, 1879	By transfer to Treasurer United States	40 89
		8,040 89			8,040 89
	S. J. Oldfield, Mitchelville, Iowa:				
Apr. 12, 1879	Subscription	150 15	May 24, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	331 05	July 15, 1879	do	2,017 42
May 10, 1879	do	281 18			
May 17, 1879	do	331 68			
May 24, 1879	do	40 22			
May 31, 1879	do	1,539 65			
June 7, 1879	do	30 22			
July 12, 1879	do	313 27			
		3,017 42			3,017 42
	H. R. Crenshaw, Marengo, Iowa:				
May 17, 1879	Subscription	613 05	May 26, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	391 95	June 3, 1879	do	1,000 00
May 31, 1879	do	1,006 00	June 13, 1879	do	1,000 00
June 7, 1879	do	1,007 00	June 21, 1879	By transfer to Treasurer United States	17 90
			June 25, 1879	do	10
		3,018 00			3,018 00
	John Beatty, Nevada, Iowa:				
Apr. 30, 1879	Subscription	50 10	May 23, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	261 04	June 5, 1879	do	1,000 00
May 17, 1879	do	502 47	June 16, 1879	do	1,000 00
May 24, 1879	do	291 60	June 16, 1879	By transfer to Treasurer United States	17 94
May 31, 1879	do	905 59	Aug. 12, 1879	do	15
June 7, 1879	do	1,007 29			
		3,018 09			3,018 09

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	James M. Hoskins, Sioux Rapids, Iowa:				
May 10, 1879	Subscription	$100 41	July 25, 1879	By transfer to Treasurer United States	$655 16
May 17, 1879	....do	100 52			
May 31, 1879	....do	50 32			
June 14, 1879	....do	50 41			
June 30, 1879	....do	201 90			
July 5, 1879	....do	101 00			
July 19, 1879	....do	50 60			
		655 16			655 16
	James Ewing, Arcola, Ill.:				
June 7, 1879	Subscription	35,245 20	June 9, 1879	By transfer to assistant treasurer New York	20,000 00
			June 14, 1879	....do	10,000 00
			June 16, 1879	....do	5,000 00
			June 16, 1879	By transfer to Treasurer United States	245 20
		35,245 20			35,245 20
	G. A. Pfrangle, Aurora, Ill.:				
May 24, 1879	Subscription	10,056 90	May 29, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	....do	10,065 00	June 5, 1879	....do	10,000 00
June 7, 1879	....do	5,037 50	June 14, 1879	....do	5,000 00
			June 23, 1879	By transfer to Treasurer United States	159 40
		25,159 40			25,159 40
	G. W. Chrysup, Barry, Ill.:				
May 10, 1879	Subscription	281 16	May 29, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	130 62	June 5, 1879	....do	1,000 00
May 24, 1879	....do	593 44	June 17, 1879	....do	1,000 00
May 31, 1879	....do	976 34	June 17, 1879	By transfer to Treasurer United States	18 93
June 7, 1879	....do	1,037 37			
		3,018 93			3,018 93
	Charles B. Loop, Belvidere, Ill.:				
May 24, 1879	Subscription	10,054 79	May 26, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	....do	10,063 03	May 29, 1879	....do	10,000 00
June 7, 1879	....do	5,034 50	June 13, 1879	....do	10,000 00
			June 14, 1879	By transfer to Treasurer United States	152 32
		25,152 32			25,152 32

	H. A. Millitzer, Belleville, Ill.:				
Apr. 19, 1879	Subscription	130 26	May 2, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
Apr. 30, 1879	do	872 40	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1876	do	1,003 59	May 19, 1879	do	1,000 00
May 17, 1879	do	1,004 59	May 26, 1879	do	1,000 00
May 24, 1879	do	1,005 30	May 30, 1879	do	1,000 00
May 31, 1879	do	7,044 40	June 2, 1879	do	5,000 00
June 7, 1879	do	5,034 50	June 17, 1879	do	6,000 00
			June 17, 1879	By transfer to Treasurer United States	95 04
		16,095 04			16,095 04
	E. S. Smith, Batavia, Ill.:				
May 24, 1879	Subscription	1,005 97	May 30, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	1,007 00	June 5, 1879	do	1,000 00
June 7, 1879	do	1,007 00	June 13, 1879	do	1,000 00
			June 13, 1879	By transfer to Treasurer United States	19 97
		3,019 97			3,019 97
	H. W. Hubbard, Centralia, Ill.:				
May 24, 1879	Subscription	1,005 37	May 27, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	1,006 24	June 2, 1879	do	1,000 00
June 7, 1879	do	1,006 91	June 14, 1879	do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	18 51
			July 19, 1879	do	01
		3,018 52			3,018 52
	J. D. Harvey, Chicago, Ill.:				
May 24, 1879	Subscription	50,286 50	May 26, 1879	By transfer to assistant treasurer Chicago	40,000 00
May 31, 1879	do	90,554 00	May 27, 1879	do	20,000 00
			May 29, 1879	do	30,000 00
			June 4, 1879	do	50,840 50
		140,840 50			140,840 50
	Frank W. Palmer, Chicago, Ill.:				
May 10, 1879	Subscription	260,052 40	May 3, 1879	By transfer to assistant treasurer, Chicago	9,500 00
May 17, 1879	do	130,623 98	May 7, 1879	do	40,000 00
May 24, 1879	do	432,386 96	May 8, 1879	do	80,000 00
May 31, 1879	do	150,922 01	May 9, 1879	do	40,000 00
			May 10, 1879	do	40,000 00
			May 12, 1879	do	40,000 00
			May 15, 1879	do	20,000 00
			May 16, 1879	do	20,000 00
			May 17, 1879	do	50,000 00
			May 19, 1879	do	60,000 00
			May 20, 1879	do	80,000 00
			May 21, 1879	do	80,000 00
			May 22, 1879	do	80,000 00
			May 23, 1879	do	50,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Frank W. Palmer, Chicago, Ill.—Continued.		May 24, 1879	By transfer to assistant treasurer Chicago	$80,000 00
			May 26, 1879	....do	80,000 00
			May 27, 1879	.....do	20,000 00
			May 29, 1879	....do	50,000 00
			June 4, 1879	.....do	54,485 35
		$973,985 35			973,985 35
	M. E. Richards, Carlyle, Ill.:				
May 31, 1879	Subscription	5,031 52	May 28, 1879	By transfer to assistant treasurer Saint Louis	5,031 52
June 7, 1879	.....do	5,037 81	June 9, 1879	..... do	5,037 81
		10,069 33			10,069 33
	E. D. Richardson, Cambridge, Ill.:				
June 7, 1879	Subscription	594 24	June 24, 1879	By transfer to assistant treasurer New York	2,000 00
June 14, 1879	.....do	1,088 60	June 26, 1879	.....do	3,000 00
June 21, 1879	.....do	7,363 93	June 27, 1879	By transfer to assistant treasurer Chicago	5,000 00
June 30, 1879	.....do	1,039 37	July 8, 1879	By transfer to Treasurer United States	86 14
		10,086 14			10,086 14
	Charles W. Gregory, Danville, Ill.:				
June 7, 1879	Subscription	35,237 80	June 17, 1879	By transfer to assistant treasurer New York	35,000 00
			June 21, 1879	By transfer to Treasurer United States	237 80
		35,237 80			35,237 80
	Joseph H. Moore, El Paso, Ill.:				
Apr. 12, 1879	Subscription	210 21	May 5, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	.....do	470 94	May 17, 1879	.....do	1,000 00
Apr. 30, 1879	.....do	320 86	May 26, 1879	.....do	2,000 00
May 10, 1879	.....do	863 44	June 2, 1879	.....do	1,000 00
May 17, 1879	.....do	140 70	June 3, 1879	.....do	1,000 00
May 24, 1879	.....do	1,005 00	June 11, 1879	.....do	1,000 00
May 31, 1879	.....do	2,013 00	June 14, 1879	By transfer to Treasurer United States	38 15
June 7, 1879	.....do	2,014 00			
		7,038 15			7,038 15
	W. N. Smith, Englewood, Ill.:				
June 7, 1879	Subscription	10,070 50	June 16, 1879	By transfer to assistant treasurer Chicago	10,070 50

	John S. Wilcox, Elgin, Ill.:				
Apr. 12, 1879	Subscription	20 02	May 8, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	200 35	May 16, 1879	do	1,000 00
Apr. 30, 1879	do	782 16	May 22, 1879	do	1,000 00
May 10, 1879	do	1,004 26	May 29, 1879	do	1,000 00
May 17, 1879	do	1,005 08	May 31, 1879	do	1,000 00
May 24, 1879	do	1,005 69	June 3, 1879	do	1,000 00
May 31, 1879	do	2,013 08	June 13, 1879	do	1,000 00
June 7, 1879	do	1,007 00	June 13, 1879	By transfer to Treasurer United States	37 64
		7,037 64			7,037 64
	Smith D. Atkins, Freeport, Ill.:				
May 10, 1879	Subscription	2,007 60	May 10, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	do	2,009 20	May 19, 1879	do	2,000 00
May 24, 1879	do	2,010 80	May 26, 1879	do	2,000 00
May 31, 1879	do	4,025 40	May 29, 1879	do	2,000 00
June 7, 1879	do	2,014 00	June 2, 1879	do	2,000 00
			June 13, 1879	do	2,000 00
			June 13, 1879	By transfer to Treasurer United States	67 00
		12,067 00			12,067 00
	W. C. McMurry, Farmer City, Ill.:				
June 7, 1879	Subscription	10,071 29	June 18, 1879	By transfer to assistant treasurer New York	10,071 29
	John M. Boicourt, Golconda, Ill.:				
Apr. 30, 1879	Subscription	1,003 00	May 6, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	1,004 00	May 20, 1879	do	1,000 00
May 24, 1879	do	1,005 50	May 30, 1879	do	1,000 00
May 31, 1879	do	1,006 70	June 3, 1879	do	1,000 00
June 7, 1879	do	1,006 98	June 19, 1879	do	1,000 00
			June 30, 1879	By transfer to Treasurer United States	26 18
		5,026 18			5,026 18
	Clark E. Carr, Galesburg, Ill.:				
May 24, 1879	Subscription	5,028 65	May 30, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	do	3,170 78	June 6, 1879	do	5,000 00
June 7, 1879	do	6,899 47	June 16, 1879	do	5,000 00
			June 16, 1879	By transfer to Treasurer United States	98 90
		15,098 90			15,098 90
	Sarah Swapp, Georgetown, Ill.:				
June 7, 1879	Subscription	65,452 05	June 5, 1879	By transfer to assistant treasurer New York	20,000 00
			June 13, 1879	do	45,000 00
			June 14, 1879	By transfer to Treasurer United States	452 05
		65,452 05			65,452 05

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	O. C. Easton, Havana, Ill.:				
May 17, 1879	Subscription	$10,047 10	May 13, 1879	By transfer to Treasurer United States	$10,047 10
May 24, 1879	do	10,058 09	May 23, 1879	do	10,058 09
May 31, 1879	do	10,064 66	May 29, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	do	27,192 53	May 29, 1879	By transfer to Treasurer United States	7,000 00
			June 3, 1879	By transfer to assistant treasurer New York	10,000 00
			June 5, 1879	do	5,000 00
			June 14, 1879	do	5,000 00
			June 14, 1879	By transfer to Treasurer United States	257 19
		57,362 38			57,362 38
	William Dougall, Joliet, Ill.:				
May 31, 1879	Subscription	2,012 50	June 4, 1879	By transfer to assistant treasurer New York	2,000 00
June 7, 1879	do	2,014 00	June 12, 1879	do	2,000 00
			June 12, 1879	By transfer to Treasurer United States	26 50
		4,026 50			4,026 50
June 7, 1879	John C. Cover, Knoxville, Ill.: Subscription	6,044 14	June 11, 1879	By transfer to assistant treasurer New York	6,000 00
			June 21, 1879	By transfer to Treasurer United States	44 06
			June 30, 1879	do	08
		6,044 14			6,044 14
	S. C. Kenaga, Kankakee, Ill.:				
May 24, 1879	Subscription	1,317 86	June 4, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	do	694 29	June 14, 1879	do	2,000 00
June 7, 1879	do	1,964 15	June 16, 1879	By transfer to Treasurer United States	16 68
June 14, 1879	do	50 38	June 16, 1879	do	10 00
		4,026 68			4,026 68
	G. A. Bodenschatz, Lemont, Ill.:				
May 17, 1879	Subscription	3,015 49	May 26, 1879	By transfer to assistant treasurer New York	10,000 00
May 24, 1879	do	17,096 54	May 29, 1879	do	10,000 00
May 31, 1879	do	20,126 99	June 2, 1879	do	10,000 00
June 7, 1879	do	10,069 00	June 9, 1879	do	20,000 00
			June 16, 1879	By transfer to Treasurer United States	308 02
		50,308 02			50,308 02
	James H. Clark, Mattoon, Ill.:				
May 10, 1879	Subscription	853 40	May 16, 1879	By transfer to assistant treasurer New York	1,000 00

May 17, 1879	....do	254 25	May 26, 1879	....do	1,000 00
May 24, 1879	....do	904 50	May 29, 1879	....do	1,000 00
May 31, 1879	....do	2,012 00	June 2, 1879	....do	1,000 00
June 7, 1879	....do	1,007 00	June 16, 1879	....do	1,000 00
			June 21, 1879	By transfer to Treasurer United States	28 15
		5,028 15			5,028 15
	James E. Hill, Mackinaw, Ill.:				
May 10, 1879	Subscription	100 38	July 3, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	....do	80 46	July 7, 1879	By transfer to Treasurer United States	6 47
May 31, 1879	....do	704 55			
June 30, 1879	....do	121 08			
		1,006 47			1,006 47
	J. B. Venard, Macomb, Ill.:				
June 7, 1879	Subscription	10,070 00	June 13, 1879	By transfer to assistant treasurer New York	10,000 00
			June 13, 1879	By transfer to Treasurer United States	70 00
		10,070 00			10,070 00
	Dennis P. Beophy, Nokomis, Ill.:				
May 17, 1879	Subscription	482 40	May 30, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	....do	523 04	June 2, 1879	....do	1,000 00
May 31, 1879	....do	905 94	June 16, 1879	....do	1,000 00
June 7, 1879	....do	1,107 80	June 16, 1879	....do	1,000 00
			June 24, 1879	By transfer to Treasurer United States	19 08
					10
		3,019 18			3,019 18
	John R. Cameron, Ottawa, Ill.:				
May 10, 1879	Subscription	5,020 97	May 13, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	5,749 17	May 15, 1879	....do	5,000 00
May 24, 1879	....do	5,311 33	May 23, 1879	....do	5,000 00
May 31, 1879	....do	10,064 98	May 27, 1879	....do	5,000 00
June 7, 1879	....do	5,035 38	May 30, 1879	....do	5,000 00
			June 2, 1879	....do	5,000 00
			June 17, 1879	....do	5,000 00
			June 17, 1879	By transfer to Treasurer United States	5,000 00
			June 26, 1879	....do	181 43
					40
		31,181 83			31,181 83
	H. E. Burgess, Princeville, Ill.:				
Apr. 19, 1879	Subscription	10 02	May 5, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	....do	1,444 02	May 9, 1879	....do	1,000 00
May 10, 1879	....do	662 57	June 26, 1879	....do	1,000 00
May 17, 1879	....do	281 33	July 30, 1879	By transfer to Treasurer United States	1,779 30
May 24, 1879	....do	201 17	Aug. 19, 1879	....do	4 00
May 31, 1879	....do	201 22			
June 7, 1879	....do	151 07			

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	H. E. Burgess, Princeville, Ill.—Continued.				
June 30, 1879	Subscription	$191 82			
July 5, 1879	....do	101 06			
July 12, 1879	....do	50 54			
July 31, 1879	....do	1,488 48			
		4,783 30			$4,783 30
	Lizzie Gilmer, Pittsfield, Ill.:				
May 17, 1879	Subscription	1,004 60	May 20, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	....do	1,005 55	May 27, 1879	....do	1,000 00
May 31, 1879	....do	1,006 10	June 2, 1879	....do	1,000 00
June 7, 1879	....do	2,013 78	June 14, 1879	....do	1,000 00
June 14, 1879	....do	14	June 16, 1879	....do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	30 17
		5,030 17			5,030 17
	James H. Gaff, Pontiac, Ill.:				
May 31, 1879	Subscription	10,063 15	June 12, 1879	By transfer to assistant treasurer New York	10,000 00
			June 14, 1879	By transfer to Treasurer United States	63 15
		10,063 15			10,063 15
	O. Swainson, Pleasant Hill, Ill.:				
May 10, 1879	Subscription	160 57	June 6, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	100 50	July 10, 1879	By transfer to Treasurer United States	1,013 44
May 24, 1879	....do	452 56			
May 31, 1879	....do	291 77			
June 7, 1879	....do	302 17			
June 14, 1879	....do	251 91			
June 21, 1879	....do	393 38			
June 30, 1879	....do	60 58			
		2,013 44			2,013 44
	Eliza Sellers, Pekin, Ill.:				
June 7, 1879	Subscription	1,007 00	June 4, 1879	By transfer to Treasurer United States	1,007 00
	John S. Stevens, Peoria, Ill.:				
May 31, 1879	Subscription	20,122 82	June 2, 1879	By transfer to assistant treasurer New York	20,000 00
June 7, 1879	....do	20,140 22	June 3, 1879	....do	10,000 00
			June 11, 1879	....do	10,000 00

			June 16, 1879	By transfer to Treasurer United States	263 04
		40,263 04			40,263 04
	Michael Piggott, Quincy, Ill.:				
June 7, 1879	Subscription	10,069 58	June 2, 1879	By transfer to assistant treasurer New York	5,000 00
			June 9, 1879	....do	5,000 00
			June 18, 1879	By transfer to Treasurer United States	69 58
		10,069 58			10,069 58
	James V. Aldrich, Richmond, Ill.:				
Apr. 30, 1879	Subscription	591 56	May 24, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	....do	462 21	June 16, 1879	....do	1,000 00
May 31, 1879	....do	956 02	June 17, 1879	By transfer to Treasurer United States	9 79
		2,009 79			2,009 79
	Thomas G. Lawler, Rockford, Ill.:				
May 24, 1879	Subscription	30,180 00	May 31, 1879	By transfer to assistant treasurer New York	30,000 00
May 31, 1879	....do	20,120 00	June 4, 1879	....do	20,000 00
June 7, 1879	....do	20,140 00	June 16, 1879	By transfer to assistant treasurer Chicago	20,000 00
			June 16, 1879	By transfer to Treasurer United States	440 00
		70,440 00			70,440 00
	John B. Ralph, Rock Falls, Ill.:				
June 7, 1879	Subscription	1,007 24	June 6, 1879	By transfer to assistant treasurer Chicago	1,000 00
			June 18, 1879	By transfer to Treasurer United States	7 24
		1,007 24			1,007 24
	C. F. Martin, Sycamore, Ill.:				
Apr. 30, 1879	Subscription	1,002 55	May 1, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	1,154 49	May 15, 1879	....do	1,000 00
May 17, 1879	....do	904 43	May 23, 1879	....do	1,000 00
May 24, 1879	....do	1,960 95	May 28, 1879	....do	2,000 00
May 31, 1879	....do	4,026 00	May 30, 1879	....do	2,000 00
June 7, 1879	....do	2,013 60	June 2, 1879	....do	2,000 00
			June 17, 1879	....do	2,000 00
			June 17, 1879	By transfer to Treasurer United States	62 02
		11,062 02			11,062 02
	F. M. Ryon, Streator, Ill.:				
May 31, 1879	Subscription	1,006 61	June 10, 1879	By transfer to Treasurer United States	6 61
			June 13, 1879	By transfer to assistant treasurer New York	1,000 00
		1,006 61			1,006 61

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Electa E. Smith, Sterling, Ill.:				
June 7, 1879	Subscription	$25,182 25	June 17, 1879	By transfer to assistant treasurer Chicago	$25,000 00
			June 19, 1879	By transfer to Treasurer United States	182 25
		25,182 25			25,182 25
	Henry B. Evans, Tuscola, Ill.:				
May 17, 1879	Subscription	20,095 34	May 19, 1879	By transfer to assistant treasurer New York	10,000 00
May 24, 1879	do	140,787 65	May 21, 1879	do	10,000 00
May 31, 1879	do	80,510 68	May 22, 1879	do	20,000 00
			May 23, 1879	do	20,000 00
			May 24, 1879	do	20,000 00
			May 26, 1879	do	15,000 00
			May 27, 1879	do	20,000 00
			May 28, 1879	do	20,000 00
			May 29, 1879	do	25,000 00
			May 30, 1879	do	20,000 00
			June 2, 1879	do	20,000 00
			June 4, 1879	do	15,000 00
			June 5, 1879	do	10,000 00
			June 11, 1879	do	16,000 00
			June 16, 1879	By transfer to Treasurer United States	393 67
		241,393 67			241,393 67
	G. B. Vastine, Wheaton, Ill.:				
May 10, 1879	Subscription	1,004 00	May 9, 1879	By transfer to Treasurer United States	401 53
May 17, 1879	do	552 83	May 13, 1879	By transfer to assistant treasurer New York	600 00
May 24, 1879	do	2,967 30	May 21, 1879	do	1,000 00
May 31, 1879	do	6,289 96	May 29, 1879	do	3,000 00
June 7, 1879	do	3,272 65	June 2, 1879	By transfer to Treasurer United States	3,000 00
			June 7, 1879	By transfer to assistant treasurer New York	6,000 00
			June 30, 1879	do	85 21
		14,086 74			14,086 74
	John A. Post, Boise City, Idaho:				
May 17, 1879	Subscription	2,311 50	June 18, 1879	By transfer to Treasurer United States	5,025 00
May 24, 1879	do	2,713 50			
		5,025 00			5,025 00
	A. T. Lea, Columbus, Kans.:				
June 30, 1879	Subscription	1,010 00	July 5, 1879	By transfer to assistant treasurer Saint Louis	1,010 00

	Jacob Stotler, Emporia, Kans.:				
J ne 14, 1879	Subscription	21,503 90	June 18, 1879	By transfer to assistant treasurer Saint Louis	13,000 00
Ju	do	3,677 92	June 22, 1879	do	12,000 00
			June 30, 1879	By transfer to Treasurer United States	181 70
			Aug. 9, 1879	do	12
		25,181 82			25,181 82
	Thomas F. Robley, Fort Scott, Kans.:				
Apr. 19, 1879	Subscription	1,002 08	Apr. 24, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
Apr. 30, 1879	do	1,003 40	May 2, 1879	do	1,000 00
May 10, 1879	do	2,008 76	May 10, 1879	do	1,000 00
May 17, 1879	do	2,010 30	May 17, 1879	do	1,000 00
May 31, 1879	do	4,026 08	May 28, 1879	do	2,000 00
June 7, 1879	do	2,014 01	May 31, 1879	do	2,000 00
			June 4, 1879	do	2,000 00
			June 16, 1879	do	2,000 00
			June 16, 1879	By transfer to Treasurer United States	64 63
		12,064 63			12,064 63
	William S. Blakely, Junction City, Kans.:				
May 24, 1879	Subscription	1,005 51	May 29, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
June 7, 1879	do	1,007 12	June 14, 1879	do	1,000 00
			July 19, 1879	By transfer to Treasurer United States	12 63
		2,012 63			2,012 63
	D. R. Anthony, Leavenworth, Kans.:				
May 10, 1879	Subscription	1,205 28	May 20, 1879	By transfer to assistant treasurer New York	20,000 00
May 17, 1879	do	18,888 89	May 23, 1879	By transfer to assistant treasurer Saint Louis	10,000 00
May 24, 1879	do	23,131 79	May 27, 1879	do	20,000 00
May 31, 1879	do	18,113 37	June 2, 1879	do	10,000 00
June 7, 1879	do	19,135 20	June 5, 1879	do	10,000 00
			June 14, 1879	do	10,000 00
			June 21, 1879	By transfer to Treasurer United States	474 53
		80,474 53			80,474 53
	L. J. Worder, Lawrence, Kans.:				
June 7, 1879	Subscription	12,083 48	June 13, 1879	By transfer to assistant treasurer Saint Louis	12,000 00
			June 14, 1879	By transfer to Treasurer United States	83 48
		12,083 48			12,083 48
	A. F. Gratigny, Perry, Kans.:				
May 17, 1879	Subscription	1,848 20	May 17, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 24, 1879	do	20 10	May 26, 1879	do	1,000 00
May 31, 1879	do	1,811 60	May 31, 1879	do	1,000 00
June 7, 1879	do	1,258 75	June 2, 1879	By transfer to assistant treasurer New York	1,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

DR. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	CR. Amount.
	A. F. Gratigny, Perry, Kans.—Continued.				
June 21, 1879	Subscription	$90 81	June 25, 1879	By transfer to assistant treasurer Saint Louis	$1,000 00
			June 25, 1879	By transfer to Treasurer United States	29 46
		5,029 46			5,029 46
	Harlow Kline, Rossville, Kans.:				
May 24, 1879	Subscription	422 38	June 30, 1879	By transfer to assistant treasurer Saint Louis	2,000 00
May 31, 1879	....do	70 46	June 30, 1879	By transfer to Treasurer United States	15 07
June 7, 1879	....do	10 07			
June 14, 1879	....do	1,512 16			
		2,015 07			2,015 07
	Chatham T. Ewing, Thayer, Kans.:				
Apr. 19, 1879	Subscription	1,452 26	Apr. 26, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
Apr. 30, 1879	....do	1,002 23	Apr. 30, 1879	....do	1,000 00
June 30, 1879	....do	3,089 88	July 25, 1879	By transfer to Treasurer United States	4,050 29
July 12, 1879	....do	20 22			
July 19, 1879	....do	485 70			
		6,050 29			6,050 29
	Henry King, Topeka, Kans.:				
June 7, 1879	Subscription	15,105 75	June 6, 1879	By transfer to assistant treasurer Saint Louis	5,000 00
June 14, 1879	....do	10,076 68	June 19, 1879	....do	5,000 00
			June 23, 1879	....do	15,000 00
			June 23, 1879	By transfer to Treasurer United States	182 43
		25,182 43			25,182 43
	M. M. Murdock, Wichita, Kans.:				
June 7, 1879	Subscription	15,209 23	June 6, 1879	By transfer to assistant treasurer Saint Louis	10,000 00
June 14, 1879	....do	5,945 22	June 22, 1879	....do	11,000 00
			June 22, 1879	By transfer to Treasurer United States	154 45
		21,154 45			21,154 45
	Alexander Case, Augusta, Ky.:				
Apr. 19, 1879	Subscription	100 20	May 9, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	....do	130 39	May 10, 1879	....do	2,000 00
May 10, 1879	....do	3,784 58	May 13, 1879	....do	2,000 00
May 17, 1879	....do	3,015 00	May 19, 1879	....do	1,000 00
May 24, 1879	....do	2,011 00	May 20, 1879	....do	1,000 00
May 31, 1879	....do	1,007 00	May 22, 1879	....do	1,000 00

June 7, 1879	.....do	1,007 00	May 31, 1879	.....do	1,000 00
			June 2, 1879	.....do	1,000 00
			June 12, 1879	.....do	1,000 00
			July 19, 1879	By transfer to Treasurer United States	55 17
		11,055 17			11,055 17
	S. S. Farrell, Covington, Ky.:				
May 31, 1879	Subscription	25,158 80	May 27, 1879	By transfer to assistant treasurer Cincinnati	8,048 00
			May 28, 1879	By transfer to assistant treasurer New York	10,000 00
			June 18, 1879	.....do	7,000 00
			June 19, 1879	.....do	110 80
		25,158 80			25,158 80
	Mattie Dee Todd, Cynthiana, Ky.:				
May 31, 1879	Subscription	6,040 00	June 17, 1879	By transfer to assistant treasurer New York	8,000 00
June 7, 1879	.....do	2,013 80	June 24, 1879	By transfer to Treasurer United States	53 80
		8,053 80			8,053 80
	J. S. Linney, Danville, Ky.:				
June 7, 1879	Subscription	15,106 85	June 13, 1879	By transfer to assistant treasurer New York	15,000 00
			June 13, 1879	By transfer to Treasurer United States	106 85
		15,106 85			15,106 85
	H. K. Milward, Lexington, Ky.:				
May 17, 1879	Subscription	5,025 20	May 22, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	.....do	5,028 00	May 27, 1879	.....do	5,000 00
May 31, 1879	.....do	30,190 68	May 30, 1879	.....do	5,000 00
			June 2, 1879	.....do	15,000 00
			June 10, 1879	.....do	10,000 00
			June 13, 1879	By transfer to Treasurer United States	243 88
		40,243 88			40,243 88
	D. O. Riley, Leitchfield, Ky.:				
May 31, 1879	Subscription	472 97	June 16, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	.....do	533 71	June 26, 1879	By transfer to assistant treasurer Cincinnati	6 68
		1,006 68			1,006 68
	Virginia C. Thompson, Louisville, Ky.:				
May 10, 1879	Subscription	20,085 52	May 12, 1879	By transfer to assistant treasurer New York	20,000 00
May 17, 1879	.....do	70,345 19	May 13, 1879	.....do	20,000 00
May 24, 1879	.....do	170,972 84	May 14, 1879	.....do	10,000 00
May 31, 1879	.....do	100,640 19	May 15, 1879	.....do	20,000 00
June 7, 1879	.....do	20,138 01	May 19, 1879	.....do	40,000 00
			May 21, 1879	.....do	20,000 00
			May 22, 1879	.....do	20,000 00
			May 23, 1879	.....do	20,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
June 7, 1879	Virginia C. Thompson, Louisville, Ky.—Continued.		May 24, 1879	By transfer to assistant treasurer New York	$20,000 00
			May 28, 1879	....do	50,000 00
			May 29, 1879	....do	20,000 00
			May 30, 1879	....do	41,000 00
			May 31, 1879	....do	20,000 00
			June 2, 1879	....do	20,000 00
			June 9, 1879	....do	20,000 00
			June 9, 1879	By transfer to Treasurer United States	181 75
			June 30, 1879	By transfer to assistant treasurer New York	21,000 00
		$382,181 75			382,181 75
	E. B. Frost, Madisonville, Ky.:				
May 17, 1879	Subscription	3,979 31	May 21, 1879	By transfer to assistant treasurer New York	3,000 00
May 24, 1879	....do	160 87	June 2, 1879	....do	3,000 00
May 31, 1879	....do	3,904 20	June 6, 1879	....do	5,000 00
June 7, 1879	....do	4,029 15	June 25, 1879	....do	5,000 00
June 14, 1879	....do	3,124 91	June 26, 1879	By transfer to Treasurer United States	106 04
June 21, 1879	....do	907 60			
		16,106 04			16,106 04
	Mary L. Ross, Newport, Ky.:				
May 24, 1879	Subscription	50,288 40	May 30, 1879	By transfer to assistant treasurer New York	50,000 00
May 31, 1879	....do	20,127 20	May 31, 1879	....do	10,000 00
June 7, 1879	....do	20,140 00	June 3, 1879	....do	10,000 00
			June 12, 1879	....do	20,000 00
			June 12, 1879	By transfer to Treasurer United States	555 60
		90,555 60			90,555 60
	J. H. Ashcroft, Paducah, Ky.:				
May 24, 1879	Subscription	5,025 00	May 28, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	....do	5,030 00	June 2, 1879	....do	5,000 00
June 7, 1879	....do	5,035 00	June 17, 1879	....do	5,000 00
			June 23, 1879	By transfer to Treasurer United States	90 00
		15,090 00			15,090 00
	W. L. McMillen, New Orleans, La.:				
May 31, 1879	Subscription	25,152 59	May 28, 1879	By transfer to assistant treasurer New Orleans	25,152 59
June 7, 1879	....do	15,107 68	June 13, 1879	....do	15,107 68
		40,260 27			40,260 27

	William L. Wright, Port Eads, La.:				
May 31, 1879	Subscription	14,765 25	June 7, 1879	By transfer to assistant treasurer New Orleans	25,167 70
June 7, 1879	do	10,402 45			
		25,167 70			25,167 70
	Marcus N. Towne, Alfred, Me.:				
May 24, 1879	Subscription	442 43	June 4, 1879	By transfer to assistant treasurer Boston	1,000 00
May 31, 1879	do	563 36	June 17, 1879	do	1,000 00
June 14, 1879	do	1,007 29	June 23, 1879	By transfer to Treasurer United States	13 00
			July 31, 1879	do	08
		2,013 08			2,013 08
	A. B. Farnham, Bangor, Me.:				
May 31, 1879	Subscription	10,061 04	May 31, 1879	By transfer to assistant treasurer Boston	10,000 00
June 7, 1879	do	15,105 50	June 4, 1879	do	10,000 00
			June 12, 1879	do	5,000 00
			June 14, 1879	By transfer to Treasurer United States	166 54
		25,166 54			25,166 54
	J. W. Wakefield, Bath, Me.:				
May 31, 1879	Subscription	20,124 80	May 30, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	do	10,070 13	June 4, 1879	By transfer to assistant treasurer Boston	10,000 00
			June 12, 1879	do	10,000 00
			June 14, 1879	By transfer to Treasurer United States	194 93
		30,194 93			30,194 93
	William H. Sargent, Castine, Me.:				
May 24, 1879	Subscription	5,782 04	May 26, 1879	By transfer to assistant treasurer Boston	2,000 00
May 31, 1879	do	2,063 71	June 2, 1879	do	6,000 00
June 7, 1879	do	6,244 61	June 16, 1879	do	6,000 00
			June 16, 1879	By transfer to Treasurer United States	90 36
		14,090 36			14,090 36
	H. L. Wood, Dexter, Me.:				
Apr. 30, 1879	Subscription	642 01	May 6, 1879	By transfer to assistant treasurer Boston	1,000 00
May 10, 1879	do	1,245 01	May 19, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	do	130 55	May 28, 1879	By transfer to assistant treasurer Boston	1,000 00
May 24, 1879	do	804 44	May 31, 1879	do	1,000 00
May 31, 1879	do	1,862 03	June 9, 1879	do	1,000 00
June 7, 1879	do	352 43	June 9, 1879	By transfer to Treasurer United States	26 47
		5,026 47			5,026 47

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Horace C. Little, Lewiston, Me.:				
May 10, 1879	Subscription	$5,021 00	May 15, 1879	By transfer to assistant treasurer New York	$5,000 00
May 17, 1879	do	5,024 00	May 21, 1879	do	5,000 00
May 24, 1879	do	31,438 33	May 22, 1879	By transfer to assistant treasurer Boston	5,000 00
May 31, 1879	do	62,128 47	May 23, 1879	do	5,000 00
June 7, 1879	do	10,070 00	May 24, 1879	do	5,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	15,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			May 30, 1879	do	10 000 00
			May 31, 1879	do	10,000 00
			June 4, 1879	do	10,000 00
			June 12, 1879	By transfer to Treasurer United States	681 80
			June 13, 1879	By transfer to assistant treasurer Boston	13,000 00
		113,681 80			113,681 80
	Sanford P. Judkins, Newport, Me.:				
June 7, 1879	Subscription	10,069 22	June 12, 1879	By transfer to assistant treasurer Boston	10,000 00
			June 13, 1879	By transfer to Treasurer United States	56 72
			June 30, 1879	do	12 50
		10,069 22			10,069 22
	G. W. Kimball, Rockland, Me.:				
May 24, 1879	Subscription	50,280 55	May 28, 1879	By transfer to assistant treasurer Boston	20,000 00
May 31, 1879	do	29,132 02	May 29, 1879	do	30,000 00
June 7, 1879	do	10,068 00	June 2, 1879	do	20,000 00
June 14, 1879	do	1 37	June 13, 1879	do	10,000 00
			July 1, 1879	By transfer to Treasurer United States	481 94
		80,481 94			80,481 94
	Isaac H. Coffin, Wiscasset, Me.:				
May 17, 1879	Subscription	2,010 30	May 24, 1879	By transfer to assistant treasurer Boston	2,000 00
May 31, 1879	do	4,025 54	May 29, 1879	do	2,000 00
June 7, 1879	do	4,028 05	May 31, 1879	do	2,000 00
June 14, 1879	do	2,015 45	June 2, 1879	do	2,000 00
			June 4, 1879	do	2,000 00
			June 13, 1879	do	2,000 00
			July 15, 1879	By transfer to Treasurer United States	79 34
		12,079 34			12,079 34

	Samuel L. Miller, Waldoborough, Me.:				
May 17, 1879	Subscription	1,005 18	May 23, 1879	By transfer to assistant treasurer Boston	1,000 00
May 24, 1879	do	1,005 81	May 29, 1879	do	2,000 00
May 31, 1879	do	3,019 79	May 30, 1879	do	1,000 00
June 7, 1879	do	6,042 01	May 31, 1879	do	1,000 00
			June 3, 1879	do	5,000 00
			June 14, 1879	do	1,000 00
			June 14, 1879	do	72 79
		11,072 79			11,072 79
	L. A. Buck, Ayer, Mass.:				
May 24, 1879	Subscription	23,801 96	May 31, 1879	By transfer to assistant treasurer Boston	50,000 00
May 31, 1879	do	26,503 30	June 28, 1879	do	20,000 00
June 7, 1879	do	5,541 25	July 10, 1879	By transfer to Treasurer United States	474 11
June 14, 1879	do	5,545 35			
June 21, 1879	do	2,017 60			
June 30, 1879	do	7,064 65			
		70,474 11			70,474 11
	E. S. Tobey, Boston, Mass.:				
May 17, 1879	Subscription	350,617 48	May 10, 1879	By transfer to assistant treasurer Boston	20,085 48
May 24, 1879	do	526,910 65	May 12, 1879	do	85,381 91
May 31, 1879	do	92,584 60	May 13, 1879	do	90,414 19
			May 14, 1879	do	40,188 50
			May 15, 1879	do	35,168 76
			May 16, 1879	do	24,118 36
			May 17, 1879	do	30,151 23
			May 19, 1879	do	40,210 40
			May 20, 1879	do	104,561 10
			May 21, 1879	do	120,659 73
			May 22, 1879	do	120,675 06
			May 23, 1879	do	80,455 88
			May 24, 1879	do	60,348 48
			May 26, 1879	do	40,241 10
			May 27, 1879	do	12,093 64
			May 28, 1879	do	40,249 86
			June 4, 1879	do	25,109 05
		970,412 73			970,112 73
	George H. Fullerton, Brockton, Mass.:				
June 7, 1879	Subscription	25,178 91	June 12, 1879	By transfer to assistant treasurer Boston	25,000 00
			June 12, 1879	By transfer to Treasurer United States	178 91
		25,178 91			25,178 91
	John W. Kimball, Fitchburg, Mass.:				
May 31, 1879	Subscription	20,129 99	June 4, 1879	By transfer to assistant treasurer Boston	20,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	John W. Kimball, Fitchburg, Mass.—Continued.				
June 7, 1879	Subscription	$15,169 47	June 13, 1879	By transfer to assistant treasurer Boston	$15,000 00
			June 14, 1879	By transfer to Treasurer United States	239 46
		35,239 46			35,239 46
	William E. Blunt, Haverhill, Mass.:				
May 24, 1879	Subscription	25,141 09	May 27, 1879	By transfer to assistant treasurer Boston	25,000 00
May 31, 1879	do	20,127 46	June 3, 1879	do	20,000 00
June 7, 1879	do	20,143 87	June 11, 1879	do	20,000 00
			June 11, 1879	By transfer to Treasurer United States	412 42
		65,412 42			65,412 42
	Walter S. Davison, Hinsdale, Mass.:				
May 10, 1879	Subscription	622 34	May 17, 1879	By transfer to assistant treasurer Boston	1,000 00
May 17, 1879	do	1,386 92	May 21, 1879	do	1,000 00
May 24, 1879	do	3,017 31	May 23, 1879	do	1,000 00
May 31, 1879	do	5,031 97	May 24, 1879	do	1,000 00
June 7, 1879	do	1,006 99	May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00
			May 31, 1879	do	2,000 00
			June 14, 1879	do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	65 53
		11,065 53			11,065 53
	J. C. Chaffee, Lee, Mass.:				
May 31, 1879	Subscription	3,019 20	June 5, 1879	By transfer to assistant treasurer Boston	5,000 00
June 7, 1879	do	3,274 17	June 21, 1879	do	3,000 00
June 14, 1879	do	1,764 52	June 21, 1879	By transfer to Treasurer United States	57 89
		8,057 89			8,057 89
	T. A. Hill, Leominster, Mass.:				
June 7, 1879	Subscription	6,042 18	June 11, 1879	By transfer to assistant treasurer Boston	6,000 00
			June 11, 1879	By transfer to Treasurer United States	42 18
		6,042 18			6,042 18
	Edward T. Rowell, Lowell, Mass.:				
May 24, 1879	Subscription	20,113 00	May 24, 1879	By transfer to assistant treasurer Boston	10,000 00

May 31, 1879	....do	10,065 00	May 29, 1879	....do	10,000 00
June 7, 1879	....do	10,670 00	May 31, 1879	....do	10,000 00
			June 12, 1879	....do	10,000 00
			June 14, 1879	By transfer to Treasurer United States	248 00
		40,248 00			40,248 00
	Henry E. Mason, Medway, Mass.:				
May 31, 1879	Subscription	9,063 00	June 10, 1879	By transfer to assistant treasurer Boston	20,000 00
June 7, 1879	....do	11,077 03	June 10, 1879	By transfer to Treasurer United States	140 03
		20,140 03			20,140 03
	R. S. Munn, Monson, Mass.:				
May 31, 1879	Subscription	5,475 13	June 12, 1879	By transfer to assistant treasurer Boston	12,000 00
June 7, 1879	....do	6,604 97	June 12, 1879	By transfer to Treasurer United States	80 10
		12,080 10			12,080 10
	Caroline Brigham, Natick, Mass.:				
May 31, 1879	Subscription	10,061 37	June 3, 1879	By transfer to assistant treasurer Boston	10,000 00
June 7, 1879	....do	10,071 00	June 10, 1879	....do	10,000 00
			June 13, 1879	By transfer to Treasurer United States	132 37
		20,132 37			20,132 37
	Thomas Coggeshall, New Bedford, Mass.:				
Apr. 19, 1879	Subscription	310 62	Apr. 25, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	....do	5,706 38	May 1, 1879	....do	5,000 00
May 10, 1879	....do	18,068 00	May 6, 1879	....do	4,000 00
May 17, 1879	....do	5,025 00	May 7, 1879	....do	1,000 00
May 24, 1879	....do	15,085 00	May 9, 1879	....do	5,000 00
May 31, 1879	....do	40,250 00	May 10, 1879	....do	3,000 00
June 7, 1879	....do	15,105 00	May 14, 1879	....do	5,000 00
			May 19, 1879	By transfer to assistant treasurer Boston	5,000 00
			May 21, 1879	....do	5,000 00
			May 23, 1879	....do	5,000 00
			May 26, 1879	....do	5,000 00
			May 27, 1879	....do	5,000 00
			May 28, 1879	....do	10,000 00
			May 30, 1879	....do	10,000 00
			June 3, 1879	....do	15,000 00
			June 14, 1879	....do	15,000 00
			June 17, 1879	By transfer to Treasurer United States	550 00
		99,550 00			99,550 00
	Isaac P. Noyes, Newburyport, Mass.:				
May 10, 1879	Subscription	1,004 29	May 15, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	1,004 92	May 19, 1879	By transfer to assistant treasurer Boston	2,000 00
May 24, 1879	....do	6,035 00	May 26, 1879	....do	5,000 00
May 31, 1879	....do	20,130 00	May 27, 1879	....do	4,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Isaac P. Noyes, Newburyport, Mass.—Continued.				
June 7, 1789	Subscription	$5,034 60	May 28, 1879	By transfer to assistant treasurer Boston	$4,000 09
			May 29, 1879	....do	4,000 00
			May 30, 1879	....do	4,000 00
			May 31, 1879	....do	4,000 00
			June 13, 1879	....do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	208 81
		33,208 81			33,208 81
	George F. Weston, Plymouth, Mass.:				
June 7, 1879	Subscription	10,072 40	June 16, 1879	By transfer to assistant treasurer Boston	10,000 00
			June 16, 1879	By transfer to Treasurer United States	72 40
		10,072 40			10,072 40
	Charles H. Odell, Salem, Mass.:				
June 7, 1879	Subscription	10,071 99	June 6, 1879	By transfer to assistant treasurer Boston	10,071 93
			June 16, 1879	....do	06
		10,071 99			10,071 99
	Albert Davis, South Abington, Mass.:				
May 17, 1879	Subscription	1,035 21	May 23, 1879	By transfer to assistant treasurer Boston	1,000 00
May 24, 1879	....do	2,011 41	May 28, 1879	....do	1,000 00
May 31, 1879	....do	3,109 88	May 31, 1879	....do	3,000 00
June 7, 1879	....do	4,915 13	June 3, 1879	....do	3,000 00
			June 16, 1879	....do	3,000 00
			June 23, 1879	By transfer to Treasurer United States	71 63
		11,071 63			11,071 63
	Frederick S. Pope, Sandwich, Mass.:				
Apr. 12, 1879	Subscription	390 36	May 5, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 19, 1879	....do	280 49	May 14, 1879	....do	1,000 00
Apr. 30, 1879	....do	1,143 56	May 19, 1879	By transfer to assistant treasurer Boston	1,000 00
May 10, 1879	....do	1,204 90	May 27, 1879	....do	1,000 00
May 17, 1879	....do	1,567 56	May 29, 1879	....do	2,000 00
May 24, 1879	....do	1,438 14	May 31, 1879	....do	2,000 00
May 31, 1879	....do	4,851 48	June 13, 1879	....do	2,000 00
June 7, 1879	....do	181 24	July 12, 1879	By transfer to Treasurer United States	57 73
		11,057 73			11,057 73

	Elias E. Fuller, Taunton, Mass.:				
May 10, 1879	Subscription	10,035 00	May 7, 1879	By transfer to assistant treasurer Boston	5,000 00
May 17, 1879	do	15,075 00	May 12, 1879	do	5,000 00
May 24, 1879	do	25,145 00	May 15, 1879	do	5,000 00
May 31, 1879	do	20,120 00	May 16, 1879	do	5,000 00
			May 20, 1879	do	5,000 00
			May 21, 1879	do	5,000 00
			May 23, 1879	do	10,000 00
			May 24, 1879	do	5,000 00
			May 26, 1879	do	5,000 00
			May 27, 1879	do	5,000 00
			May 28, 1879	do	5,000 00
			May 29, 1879	do	5,000 00
			June 9, 1879	do	5,000 00
			June 9, 1879	do	375 00
		70,375 00			70,375 00
	Samuel S. Gleason, Watertown, Mass.:				
May 31, 1879	Subscription	6,039 52	June 10, 1879	By transfer to assistant treasurer Boston	15,000 00
June 7, 1879	do	9,061 20	June 13, 1879	By transfer to Treasurer United States	100 72
		15,100 72			15,100 72
	John W. Locke, Wakefield, Mass.:				
May 10, 1879	Subscription	4,015 07	May 5, 1879	By transfer to assistant treasurer Boston	2,000 00
May 17, 1879	do	3,014 35	May 9, 1879	do	1,000 00
May 24, 1879	do	5,028 17	May 10, 1879	do	1,000 00
May 31, 1879	do	6,038 81	May 14, 1879	do	1,000 00
			May 15, 1879	do	1,000 00
			May 19, 1879	do	1,000 00
			May 20, 1879	do	1,000 00
			May 21, 1879	do	2,000 00
			May 24, 1879	do	2,000 00
			May 27, 1879	do	2,000 00
			May 29, 1879	do	2,000 00
			June 12, 1879	do	2,000 00
			June 12, 1879	By transfer to Treasurer United States	96 40
		18,096 40			18,096 40
	Nathan Wyman, Woburn, Mass.:				
June 14, 1879	Subscription	10,071 96	June 12, 1879	By transfer to assistant treasurer Boston	10,000 00
			June 14, 1879	By transfer to Treasurer United States	71 96
		10,071 96			10,071 96

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	E. N. Leavens, Faribault, Minn.:				
May 17, 1879	Subscription	$2,009 38	May 23, 1879	By transfer to assistant treasurer New York	$2,000 00
May 24, 1879	do	2,011 05	May 28, 1879	do	2,000 00
May 31, 1879	do	2,012 82	June 3, 1879	do	2,000 00
June 7, 1879	do	4,028 64	June 4, 1879	do	2,000 00
			June 20, 1879	do	2,000 00
			June 20, 1879	By transfer to Treasurer United States	61 89
		10,061 89			10,061 89
	J. H. J. Klinkhammer, Jordan, Minn.:				
June 7, 1879	Subscription	251 75	June 28, 1879	By transfer to assistant treasurer Chicago	1,000 00
June 21, 1879	do	756 75	June 28, 1879	By transfer to Treasurer United States	8 50
		1,008 50			1,008 50
	George H. Keith, Minneapolis, Minn.:				
Apr. 30, 1879	Subscription	5,015 51	May 5, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	9,370 64	May 9, 1879	do	5,000 00
May 17, 1879	do	21,772 68	May 10, 1879	do	5,000 00
May 24, 1879	do	30,170 50	May 12, 1879	do	5,000 00
May 31, 1879	do	25,159 45	May 13, 1879	do	10,000 00
June 7, 1879		20,140 60	May 16, 1879	do	5,000 00
			May 20, 1879	do	5,000 00
			May 21, 1879	do	10,000 00
			May 22, 1879	do	5,000 00
			May 23, 1879	do	5,000 00
			May 24, 1879	do	5,000 00
			May 26, 1879	do	5,000 00
			May 27, 1879	do	10,000 00
			May 30, 1879	do	5,000 00
			May 31, 1879	do	5,000 00
			June 2, 1879	do	5,000 00
			June 3, 1879	do	5,000 00
			June 4, 1879	do	5,000 00
			June 18, 1879	By transfer to assistant treasurer Chicago	10,000 00
			June 18, 1879	By transfer to Treasurer United States	629 38
		111,629 38			111,629 38
	A. F. Graves, Red Wing, Minn.:				
May 24, 1879	Subscription	5,026 15	May 30, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	do	5,033 40	June 3, 1879	do	5,000 00
June 7, 1879	do	5,035 60	June 17, 1879	do	5,000 00
			June 19, 1879	By transfer to Treasurer United States	95 15
		15,095 15			15,095 15

	David Day, Saint Paul, Minn.:				
Apr. 19, 1879	Subscription	1,312 62	Apr. 25, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	6,709 59	May 3, 1879	do	2,000 00
May 10, 1879	do	19,076 00	May 6, 1879	do	4,000 00
May 17, 1879	do	25,609 45	May 7, 1879	do	10,000 00
May 24, 1879	do	74,935 38	May 15, 1879	do	10,000 00
May 31, 1879	do	82,516 80	May 16, 1879	do	10,000 00
June 7, 1879	do	88,614 65	May 17, 1879	do	10,000 00
			May 19, 1879	do	10,000 00
			May 20, 1879	do	20,000 00
			May 22, 1879	do	10,000 00
			May 23, 1879	do	20,000 00
			May 24, 1879	do	20,000 00
			May 26, 1879	do	40,000 00
			May 28, 1879	do	20,000 00
			May 29, 1879	do	15,000 00
			June 2, 1879	do	50,000 00
			June 4, 1879	do	20,000 00
			June 16, 1879	By transfer to assistant treasurer Chicago	26,000 00
			June 16, 1879	By transfer to Treasurer United States	774 49
		298,774 49			298,774 49
	E. G. Butts, Stillwater, Minn.:				
May 31, 1879	Subscription	25,157 00	June 5, 1879	By transfer to assistant treasurer New York	25,000 00
June 7, 1879	do	20,146 49	June 17, 1879	do	15,000 00
			June 19, 1879	do	5,000 00
			June 19, 1879	By transfer to Treasurer United States	303 49
		45,303 49			45,303 49
	A. F. Lewis, Carthage, Mo.:				
June 7, 1879	Subscription	3,374 82	June 18, 1879	By transfer to assistant treasurer Saint Louis	3,000 00
June 14, 1879	do	6,702 00	June 28, 1879	By transfer to Treasurer United States	7,076 82
		10,076 82			10,076 82
	James F. Agee, Fayette, Mo.:				
June 7, 1879	Subscription	14,100 82	June 21, 1879	By transfer to assistant treasurer Saint Louis	10,000 00
June 14, 1879	do	6,046 13	June 28, 1879	do	10,000 00
			June 28, 1879	By transfer to Treasurer United States	146 95
		20,146 95			20,146 95
	F. P. Houser, Grant City, Mo.:				
May 10, 1879	Subscription	10 03	June 3, 1879	By transfer to Treasurer United States	874 33
May 17, 1879	do	854 25	June 21, 1879	do	30 24
May 24, 1879	do	10 05			
June 14, 1879	do	30 24			
		904 57			904 57

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Oscar G. Burch, Jefferson City, Mo.:				
May 17, 1879	Subscription	$3,015 60	May 24, 1879	By transfer to assistant treasurer Saint Louis	$3,000 00
May 24, 1879	do	5,029 40	May 30, 1879	do	5,000 00
May 31, 1879	do	5,033 01	June 3, 1879	do	5,000 00
June 7, 1879	do	5,035 50	June 12, 1879	do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	113 51
		18,113 51			18,113 51
	M. W. Stafford, Joplin, Mo.:				
May 17, 1879	Subscription	1,004 00	May 22, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 24, 1879	do	1,005 98	June 3, 1879	do	1,000 00
June 7, 1879	do	2,014 04	June 4, 1879	do	1,000 00
			June 16, 1879	do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	24 02
		4,024 02			4,024 02
	Thomas Case, Kansas City, Mo.:				
May 31, 1879	Subscription	15,095 60	June 5, 1879	By transfer to assistant treasurer Saint Louis	15,000 00
June 7, 1879	do	20,147 00	June 16, 1879	do	20,000 00
			June 16, 1879	By transfer to Treasurer United States	242 35
			June 28, 1879	do	25
		35,242 60			35,242 60
	D. S. Hooper, Kirksville, Mo.:				
May 31, 1879	Subscription	10,062 46	June 5, 1879	By transfer to assistant treasurer Saint Louis	10,000 00
June 7, 1879	do	5,036 71	June 17, 1879	do	5,000 00
			June 19, 1879	By transfer to Treasurer United States	99 17
		15,099 17			15,099 17
	William Smith, Marshfield, Mo.:				
June 7, 1879	Subscription	1,007 17	June 5, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
			June 6, 1879	By transfer to Treasurer United States	7 17
		1,007 17			1,007 17
	Charles B. Kurtz, Platte City, Mo.:				
May 24, 1879	Subscription	1,002 20	May 26, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 31, 1879	do	2,006 20	May 30, 1879	do	1,000 00

June 7, 1879	.....do	1,016 49	June 4, 1879	.....do	1,000 00
			July 22, 1879	.....do	1,024 62
			July 29, 1879	.....do	27
		4,024 89			4,024 89
	Samuel Hays, Saint Louis, Mo.:				
Apr. 12, 1879	Subscription	6,806 51	Apr. 8, 1879	By transfer to assistant treasurer Saint Louis	1,440 95
Apr. 19, 1879	.....do	7,212 47	Apr. 9, 1879	.....do	920 71
Apr. 30, 1879	.....do	73,216 31	Apr. 10, 1879	.....do	640 56
May 10, 1879	.....do	291,102 49	Apr. 12, 1879	.....do	3,000 00
May 17, 1879	.....do	90,442 20	Apr. 14, 1879	.....do	2,200 00
May 24, 1879	.....do	321,783 02	Apr. 17, 1879	.....do	807 84
May 31, 1879	.....do	95,590 15	Apr. 18, 1879	.....do	5,008 39
			Apr. 23, 1879	.....do	4,000 00
			Apr. 24, 1879	.....do	2,000 00
			Apr. 25, 1879	.....do	4,000 00
			Apr. 26, 1879	.....do	4,000 00
			Apr. 28, 1879	.....do	9,000 00
			Apr. 29, 1879	.....do	20,000 00
			Apr. 30, 1879	.....do	25,000 00
			May 1, 1879	.....do	29,000 00
			May 2, 1879	.....do	34,000 00
			May 3, 1879	.....do	28,000 00
			May 5, 1879	.....do	23,000 00
			May 6, 1879	.....do	40,000 00
			May 7, 1879	.....do	38,000 00
			May 8, 1879	.....do	48,000 00
			May 9, 1879	.....do	50,000 00
			May 15, 1879	.....do	40,000 00
			May 16, 1879	.....do	25,000 00
			May 17, 1879	.....do	25,000 00
			May 19, 1879	.....do	30,000 00
			May 20, 1879	.....do	50,000 00
			May 21, 1879	.....do	50,000 00
			May 22, 1879	.....do	70,000 00
			May 23, 1879	.....do	50,000 00
			May 24, 1879	.....do	70,000 00
			May 26, 1879	.....do	25,000 00
			May 27, 1879	.....do	25,000 00
			May 29, 1879	.....do	45,000 00
			June 2, 1879	.....do	9,134 70
		886,153 15			886,153 15
	F. M. Posegate, Saint Joseph, Mo.:				
Apr. 12, 1879	Subscription	1,341 33	Apr. 17, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
Apr. 19, 1879	.....do	3,667 34	Apr. 26, 1879	.....do	4,000 00
Apr. 30, 1879	.....do	5,014 70	May 3, 1879	.....do	3,000 00
May 10, 1879	.....do	5,019 32	May 5, 1879	.....do	2,000 00
May 17, 1879	.....do	5,023 67	May 13, 1879	.....do	5,000 00
May 24, 1879	.....do	5,029 50	May 23, 1879	.....do	5,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	F. M. Posegate, Saint Joseph, Mo.—Continued.				
May 31, 1879	Subscription	$10,066 00	May 27, 1879	By transfer to assistant treasurer Saint Louis	$5,000 00
June 7, 1879	do	5,035 00	May 31, 1879	do	5,000 00
			June 3, 1879	do	5,000 00
			June 12, 1879	do	5,000 00
			June 12, 1879	By transfer to Treasurer United States	196 86
		40,196 86			40,196 86
	Albert Parker, Sedalia, Mo.:				
May 31, 1879	Subscription	50,313 21	June 5, 1879	By transfer to assistant treasurer Saint Louis	30,000 00
			June 6, 1879	do	10,000 00
			June 13, 1879	do	10,000 00
			June 13, 1879	By transfer to Treasurer United States	313 21
		50,313 21			50,313 21
	Isaac H. Sturgeon, Saint Louis, Mo.:				
June 7, 1879	Subscription	10,071 23	June 5, 1879	By transfer to assistant treasurer Saint Louis	10,071 23
	E. R. Shipley, Springfield, Mo.:				
May 10, 1879	Subscription	1,004 31	May 16, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 17, 1879	do	1,005 15	May 23, 1879	do	1,000 00
May 24, 1879	do	1,005 90	May 26, 1879	do	1,000 00
May 31, 1879	do	1,006 14	June 2, 1879	do	2,000 00
June 7, 1879	do	2,013 80	June 13, 1879	do	1,000 00
			June 13, 1879	By transfer to treasurer United States	35 30
		6,035 30			6,035 30
	Gustavus St. Gem, Saint Louis, Mo.:				
May 24, 1879	Subscription	10,058 08	May 26, 1879	By transfer to assistant treasurer Saint Louis	25,000 00
May 31, 1879	do	95,590 13	May 27, 1879	do	25,000 00
			May 29, 1879	do	45,000 00
			June 2, 1879	do	10,648 21
		105,648 21			105,648 21
	E. F. Horton, Trenton, Mo.:				
May 10, 1879	Subscription	2,008 36	May 16, 1879	By transfer to assistant treasurer Saint Louis	2,000 00
May 17, 1879	do	2,010 30	May 27, 1879	do	2,000 00
May 31, 1879	do	4,025 90	May 31, 1879	do	2,000 00

June 7, 1879	do	2,014 02	June 3, 1879	do	2,000 00
			June 18, 1879	do	2,000 00
			June 18, 1879	By transfer to Treasurer United States	58 58
		10,058 58			10,058 58
	O. E. Babcock, Baltimore, Md.:				
May 31, 1879	Subscription	216,229 50	May 20, 1879	By transfer to assistant treasurer New York	25,000 00
			May 21, 1879	do	25,000 00
			May 22, 1879	do	25,000 00
			May 23, 1879	do	25,000 00
			May 24, 1879	do	25,000 00
			May 26, 1879	do	25,000 00
			May 27, 1879	do	25,000 00
			May 28, 1879	do	25,000 00
			May 29, 1879	By transfer to Treasurer United States	16,229 50
		216,229 50			216,229 50
	J. M. Marshall, Baltimore, Md.:				
May 24, 1879	Subscription	20,116 16	May 25, 1879	By transfer to assistant treasurer New York	20,000 00
May 31, 1879	do	50,311 23	May 27, 1879	do	20,000 00
			May 28, 1879	do	20,000 00
			June 16, 1879	By transfer to assistant treasurer Baltimore	10,427 39
		70,427 39			70,427 39
	E. B. Tyler, Baltimore, Md.:				
Apr. 30, 1879	Subscription	6,419 54	Apr. 29, 1879	By transfer to assistant treasurer Baltimore	3,000 00
May 10, 1879	do	469,344 10	Apr. 30, 1879	do	3,419 54
May 17, 1879	do	155,742 50	May 1, 1879	do	34,112 40
May 24, 1879	do	236,299 00	May 2, 1879	do	50,000 00
May 31, 1879	do	90,552 00	May 3, 1879	do	85,298 08
			May 5, 1879	do	50,186 29
			May 6, 1879	do	52,041 00
			May 7, 1879	do	58,000 00
			May 8, 1879	do	39,000 00
			May 9, 1879	By transfer to assistant treasurer New York	25,000 00
			May 10, 1879	By transfer to assistant treasurer Baltimore	37,000 00
			May 10, 1879	By transfer to assistant treasurer New York	13,000 00
			May 13, 1879	do	25,000 00
			May 14, 1879	do	30,000 00
			May 15, 1879	do	35,000 00
			May 16, 1879	do	31,000 00
			May 17, 1879	do	30,000 00
			May 19, 1879	do	30,000 00
			May 20, 1879	do	40,000 00
			May 21, 1879	do	40,000 00
			May 22, 1879	do	40,000 00
			May 23, 1879	do	40,000 00
			May 24, 1879	do	40,000 00
			May 26, 1879	do	35,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
May 31, 1879	E. B. Tyler, Baltimore, Md.—Continued.		May 27, 1879	By transfer to assistant treasurer New York	$30,000 00
			May 28, 1879	....do	31,000 00
			May 29, 1879	By transfer to Treasurer United States	20,000 00
			June 4, 1879	By transfer to assistant treasurer Baltimore	11,299 83
		$958,357 14			958,357 14
	John L. Thomas, Baltimore, Md.:				
May 10, 1879	Subscription	179,694 71	May 1, 1879	By transfer to assistant treasurer Baltimore	8,559 00
May 17, 1879	....do	145,692 76	May 2, 1879	....do	16,527 85
May 24, 1879	....do	150,830 19	May 3, 1879	....do	20,070 16
May 31, 1879	....do	65,398 55	May 5, 1879	....do	5,018 66
			May 6, 1879	....do	38,145 69
			May 7, 1879	....do	7,104 34
			May 8, 1879	....do	10,040 55
			May 9, 1879	By transfer to assistant treasurer New York	20,000 00
			May 9, 1879	By transfer to assistant treasurer Baltimore	83 28
			May 10, 1879	By transfer to assistant treasurer New York	20,000 00
			May 10, 1879	By transfer to assistant treasurer Baltimore	145 18
			May 10, 1879	By transfer to Treasurer United States	14,000 00
			May 12, 1879	By transfer to assistant treasurer New York	20,000 00
			May 12, 1879	By transfer to assistant treasurer Baltimore	90 80
			May 13, 1879	By transfer to assistant treasurer New York	20,000 00
			May 13, 1879	By transfer to assistant treasurer Baltimore	115 08
			May 14, 1879	By transfer to assistant treasurer New York	25,000 00
			May 14, 1879	By transfer to assistant treasurer Baltimore	117 80
			May 15, 1879	By transfer to assistant treasurer New York	20,000 00
			May 15, 1879	By transfer to assistant treasurer Baltimore	120 55
			May 16, 1879	By transfer to assistant treasurer New York	30,000 00
			May 16, 1879	By transfer to assistant treasurer Baltimore	123 30
			May 17, 1879	By transfer to assistant treasurer New York	25,000 00
			May 17, 1879	By transfer to assistant treasurer Baltimore	126 03
			May 19, 1879	By transfer to assistant treasurer New York	25,000 00
			May 19, 1879	By transfer to assistant treasurer Baltimore	131 50
			May 20, 1879	By transfer to assistant treasurer New York	25,000 00
			May 20, 1879	By transfer to assistant treasurer Baltimore	134 25
			May 21, 1879	By transfer to assistant treasurer New York	25,000 00
			May 21, 1879	By transfer to assistant treasurer Baltimore	136 98
			May 22, 1879	By transfer to assistant treasurer New York	25,000 00
			May 22, 1879	By transfer to assistant treasurer Baltimore	139 73
			May 23, 1879	By transfer to assistant treasurer New York	25,000 00
			May 23, 1879	By transfer to assistant treasurer Baltimore	142 48
			May 24, 1879	By transfer to assistant treasurer New York	25,000 00
			May 24, 1879	By transfer to assistant treasurer Baltimore	145 25

			May 26, 1879	By transfer to assistant treasurer New York	25,000 00
			May 26, 1879	By transfer to assistant treasurer Baltimore	150 75
			May 27, 1879	By transfer to assistant treasurer New York	25,000 00
			May 27, 1879	By transfer to assistant treasurer Baltimore	122 80
			May 28, 1879	By transfer to assistant treasurer New York	20,000 00
			May 28, 1879	By transfer to assistant treasurer Baltimore	125 00
			June 4, 1879	do	20,000 00
		541,616 21			541,616 21
	Henry J. Johnson, Cumberland, Md.:				
May 10, 1879	Subscription	10,041 65	May 8, 1879	By transfer to Treasurer United States	5,000 00
May 17, 1879	do	10,050 41	May 13, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	20,119 45	May 17, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
May 31, 1879	do	10,064 71	May 22, 1879	do	5,000 00
June 7, 1879	do	5,035 61	May 24, 1879	do	5,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			June 2, 1879	do	5,000 00
			June 12, 1879	do	5,000 00
			June 12, 1879	By transfer to Treasurer United States	311 83
		55,311 83			55,311 83
	Charles W. Miller, Frederick, Md.:				
May 24, 1879	Subscription	6,034 06	May 21, 1879	By transfer to assistant treasurer Baltimore	2,000 00
May 31, 1879	do	4,025 59	May 23, 1879	do	2,000 00
June 7, 1879	do	2,014 17	May 26, 1879	do	2,000 00
			May 28, 1879	do	2,000 00
			June 5, 1879	By transfer to Treasurer United States	2,000 00
			June 12, 1879	do	73 82
			June 12, 1879	By transfer to assistant treasurer Baltimore	2,000 00
		12,073 82			12,073 82
	James Curley, Laurel, Md.:				
May 31, 1879	Subscription	2,013 10	May 29, 1879	By transfer to Treasurer United States	1,006 50
			May 30, 1879	do	1,006 60
		2,013 10			2,013 10
	John G. England, Rockville, Md.:				
May 10, 1879	Subscription	1,535 87	May 6, 1879	By transfer to Treasurer United States	1,000 00
May 17, 1879	do	301 47	May 19, 1879	do	1,000 00
May 24, 1879	do	2,182 32	May 21, 1879	do	1,000 00
May 31, 1879	do	5,032 00	May 24, 1879	do	1,000 00
June 7, 1879	do	1,006 80	May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
June 7, 1879	John G. England, Rockville, Md.—Continued.		June 2, 1879	By transfer to Treasurer United States	$1,000 00
			June 4, 1879	do	1,058 46
		$10,058 46			10,058 46
	W. H. Spencer, Spencerville, Md.:				
May 31, 1879	Subscription	6,744 43	June 5, 1879	By transfer to Treasurer United States	10,067 15
June 7, 1879	do	3,322 77	June 17, 1879	do	05
		10,067 20			10,067 20
	Sarah Feast, Towsontown, Md.:				
June 7, 1879	Subscription	1,007 24	June 16, 1879	By transfer to assistant treasurer Baltimore	1,000 00
			July 10, 1879	do	7 24
		1,007 24			1,007 24
	A. H. Huber, Westminster, Md.:				
May 31, 1879	Subscription	10,066 35	June 10, 1879	By transfer to assistant treasurer Baltimore	15,000 00
June 7, 1879	do	5,034 51	June 10, 1879	By transfer to Treasurer United States	100 86
		15,100 86			15,100 86
	H. Woodward, Brooklyn, Mich.:				
May 19, 1879	Subscription	2,060 14	May 28, 1879	By transfer to assistant treasurer New York	5,027 50
May 24, 1879	do	2,011 46	June 14, 1879	do	5,035 04
May 31, 1879	do	1,660 55			
June 7, 1879	do	3,776 23			
June 14, 1879	do	554 16			
		10,062 54			10,062 54
	Julius S. Barber, Coldwater, Mich.:				
May 31, 1879	Subscription	15,096 00	June 4, 1879	By transfer to assistant treasurer New York	15,000 00
June 7, 1879	do	20,143 22	June 13, 1879	do	10,000 00
			June 14, 1879	do	10,000 00
			June 14, 1879	By transfer to Treasurer United States	239 22
		35,239 22			35,239 22

	J. H. Hixson, Cadillac, Mich.:				
May 31, 1879	Subscription	2,011 88	June 2, 1879	By transfer to assistant treasurer New York	2,000 00
June 7, 1879	do	2,013 80	June 16, 1879	do	2,000 00
			June 16, 1879	By transfer to Treasurer United States	25 68
		4,025 68			4,025 68
	Ira R. Ennes, Evart, Mich.:				
May 24, 1879	Subscription	703 76	May 29, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	301 91	July 15, 1879	By transfer to Treasurer United States	66 09
June 7, 1879	do	60 42			
		1,066 09			1,066 09
	W. J. Webster, Homer, Mich.:				
Apr. 30, 1879	Subscription	541 30	May 14, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	461 89	June 16, 1879	do	1,000 00
May 17, 1879	do	40 20	June 16, 1879	By transfer to Treasurer United States	10 16
May 24, 1879	do	50 27			
June 7, 1879	do	916 50			
		2,010 16			2,010 16
	A. H. Heath, Ionia, Mich.:				
May 31, 1879	Subscription	372 33	June 17, 1879	By transfer to assistant treasurer New York	2,000 00
June 7, 1879	do	1,208 55	June 18, 1879	By transfer to Treasurer United States	14 19
June 14, 1879	do	433 31			
		2,014 19			2,014 19
	L. B. Kendall, Kalamazoo, Mich.:				
May 24, 1879	Subscription	10,056 67	May 31, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	do	10,068 00	June 9, 1879	do	10,000 00
			June 9, 1879	By transfer to Treasurer United States	124 67
		20,124 67			20,124 67
	S. W. Abbott, Menemonee, Mich.:				
Apr. 19, 1879	Subscription	501 00	May 17, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	20 05	June 1, 1879	do	1,000 00
May 10, 1879	do	421 58	June 4, 1879	do	1,000 00
May 24, 1879	do	1,066 35	June 16, 1879	do	1,000 00
June 7, 1879	do	2,014 00	June 16, 1879	By transfer to Treasurer United States	22 98
		4,022 98			4,022 98
	B. F. Bradley, Midland, Mich.:				
May 31, 1879	Subscription	432 74	July 21, 1879	By transfer to assistant treasurer New York	1,007 87
June 7, 1879	do	261 80			
July 7, 1879	do	313 33			
		1,007 87			1,007 87

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount	Date.	Character of credits.	Cr. Amount.
	James M. Wilkinson, Marquette, Mich.:				
May 21, 1879	Subscription	$1,711 22	June 14, 1879	By transfer to assistant treasurer New York	$5,000 00
June 7, 1879	....do	3,322 64	June 14, 1879	By transfer to Treasurer United States	33 86
		5,033 86			5,033 86
	A. W. Maitland, Negaunee, Mich.:				
May 31, 1879	Subscription	2,012 28	June 5, 1879	By transfer to assistant treasurer New York	2,000 00
June 7, 1879	....do	2,014 72	June 18, 1879	By transfer to Treasurer United States	2,000 00
			June 24, 1879	....do	27 00
		4,027 00			4,027 00
	George W. Matthews, Paw Paw, Mich.:				
May 24, 1879	Subscription	281 59	May 31, 1879	By transfer to Treasurer United States	855 29
May 31, 1879	....do	573 70	June 6, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	....do	1,158 37	June 23, 1879	By transfer to Treasurer United States	158 37
		2,013 66			2,013 66
	James Gray, Romeo, Mich.:				
May 10, 1879	Subscription	2,007 65	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	552 74	May 19, 1879	....do	1,000 00
May 24, 1879	....do	1,005 80	May 24, 1879	....do	1,000 00
May 31, 1879	....do	1,438 79	June 2, 1879	....do	2,000 00
June 7, 1879	....do	1,611 28	June 17, 1879	....do	2,000 00
June 14, 1879	....do	423 19	July 23, 1879	By transfer to Treasurer United States	39 45
		7,039 45			7,039 45
	George T. Arnold, Sawgatuck, Mich.:				
May 10, 1879	Subscription	200 87	June 19, 1879	By transfer to assistant treasurer New York	3,000 00
May 17, 1879	....do	180 86	June 30, 1879	....do	1,000 00
May 31, 1879	....do	624 12	June 30, 1879	By transfer to Treasurer United States	30 64
June 14, 1879	....do	1,460 66			
June 21, 1879	....do	1,564 01			
June 30, 1879	....do	12			
		4,030 64			4,030 64
	M. B. Nash, Sparta Centre, Mich.:				
Apr. 12, 1879	Subscription	50 05	July 17, 1879	By transfer to assistant treasurer New York	1,006 87
Apr. 19, 1879	....do	20 04			
Apr. 30, 1879	....do	20 06			
May 10, 1879	....do	30 12			

June 7, 1879	....do	624 34			
June 21, 1879	....do	201 60			
July 7, 1879	....do	60 66			
		1,006 87			1,006 87
	S. C. Fuller, Traverse City, Mich.:				
May 24, 1879	Subscription	904 98	June 3, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	....do	1,106 93	July 17, 1879	By transfer to Treasurer United States	738 48
June 7, 1879	....do	171 25			
June 14, 1879	....do	201 53			
June 21, 1879	....do	50 43			
July 5, 1879	....do	101 00			
July 19, 1879	....do	202 36			
		2,738 48			2,738 48
	William Lake, Vassar, Mich.:				
Apr. 30, 1879	Subscription	140 43	July 19, 1879	By transfer to Treasurer United States	291 50
May 10, 1879	....do	70 26			
May 17, 1879	....do	10 04			
June 14, 1879	....do	01			
July 7, 1879	....do	70 76			
		291 50			291 50
	William H. Archer, Clinton, Miss.:				
May 31, 1879	Subscription	211 26	June 23, 1879	By transfer to Treasurer United States	1,008 27
June 21, 1879	....do	797 01			
		1,008 27			1,008 27
	Henry R. Smith, Canton, Miss.:				
Apr. 12, 1879	Subscription	130 13	May 10, 1879	By transfer to assistant treasurer New Orleans	1,000 00
Apr. 30, 1879	....do	672 05	May 24, 1879	....do	3,000 00
May 10, 1879	....do	552 36	May 26, 1879	....do	2,000 00
May 17, 1879	....do	2,662 69	May 28, 1879	....do	2,000 00
May 24, 1879	....do	1,659 69	May 29, 1879	....do	2,000 00
May 31, 1879	....do	9,007 38	May 31, 1879	....do	2,000 00
June 7, 1879	....do	4,229 90	June 2, 1879	....do	2,000 00
June 14, 1879	....do	1,915 05	June 4, 1879	....do	2,000 00
June 21, 1879	....do	201 70	June 7, 1879	....do	2,000 00
June 30, 1879	....do	100 99	June 26, 1879	....do	3,000 00
			July 12, 1879	By transfer to Treasurer United States	131 94
		21,131 94			21,131 94
	Thomas Richardson, Port Gibson, Miss.:				
June 14, 1879	Subscription	1,008 00	June 27, 1879	By transfer to assistant treasurer New Orleans	1,000 00
			July 18, 1879	....do	8 00
		1,008 00			1,008 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount. Cr.
	F. M. Goar, Tupelo, Miss.:				
May 10, 1879	Subscription	$2,008 16	May 10, 1879	By transfer to assistant treasurer New Orleans	$2,000 00
May 17, 1879	do	2,009 97	May 19, 1879	do	2,000 00
May 24, 1879	do	2,011 83	May 23, 1879	do	2,000 00
May 31, 1879	do	2,012 93	June 2, 1879	do	2,000 00
June 7, 1879	do	4,027 61	June 3, 1879	do	2,000 00
			June 19, 1879	do	2,000 00
			June 20, 1879	By transfer to Treasurer United States	70 50
		12,070 50			12,070 50
	Charlotte Allen, Athens, N. Y.:				
Apr. 19, 1879	Subscription	10 02	May 5, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	260 72	May 21, 1879	do	1,000 00
May 10, 1879	do	1,234 35	May 28, 1879	do	1,000 00
May 17, 1879	do	502 52	May 31, 1879	do	1,000 00
May 31, 1879	do	2,636 93	June 10, 1879	do	1,000 00
June 7, 1879	do	382 59	June 21, 1879	By transfer to Treasurer United States	27 13
		5,027 13			5,027 13
	E. W. Ewers, Almond, N. Y.:				
Apr. 30, 1879	Subscription	100 32	June 2, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	100 36	June 16, 1879	do	1,000 00
May 17, 1879	do	50 25	June 16, 1879	By transfer to Treasurer United States	12 70
May 24, 1879	do	130 69	July 17, 1879	do	10
May 31, 1879	do	462 91			
June 7, 1879	do	1,168 27			
		2,012 80			2,012 80
	Irving M. Thompson, Albion, N. Y.:				
June 21, 1879	Subscription	10,070 00	June 9, 1879	By transfer to assistant treasurer New York	10,000 00
			June 9, 1879	By transfer to Treasurer United States	70 00
		10,070 00			10,070 00
	William H. Craig, Albany, N. Y.:				
May 10, 1879	Subscription	20,086 40	May 13, 1879	By transfer to assistant treasurer New York	20,000 00
May 17, 1879	do	30,149 04	May 14, 1879	do	10,000 00
May 24, 1879	do	60,338 71	May 17, 1879	do	10,000 00
May 31, 1879	do	60,385 79	May 19, 1879	do	10,000 00
June 7, 1879	do	20,140 20	May 20, 1879	do	10,000 00

			May 21, 1879	do	10,000 00
			May 22, 1879	do	10,000 00
			May 23, 1879	do	10,000 00
			May 24, 1879	do	10,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	10,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			May 30, 1879	do	10,000 00
			June 3, 1879	do	20,000 00
			June 11, 1879	do	21,000 00
			June 11, 1879	By transfer to Treasurer United States	100 14
		191,100 14			191,100 14
	William J. Cline, Amsterdam, N. Y.:				
May 24, 1879	Subscription	10,057 50	May 23, 1879	By transfer to Treasurer United States	5,028 51
May 31, 1879	do	35,220 49	May 24, 1879	By transfer to assistant treasurer New York	5,000 00
June 7, 1879	do	5,034 51	May 26, 1879	do	5,000 00
			May 27, 1879	do	5,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	5,000 00
			May 30, 1879	do	10,000 00
			June 7, 1879	do	5,000 00
			June 19, 1879	By transfer to Treasurer United States	283 99
		50,312 50			50,312 50
	J. S. Dolson, Bath, N. Y.:				
June 7, 1879	Subscription	3,020 70	June 9, 1879	By transfer to assistant treasurer New York	3,000 00
			June 13, 1879	By transfer to Treasurer United States	20 70
		3,020 70			3,020 70
	Henry McClusky, Boonville, N. Y.:				
Apr. 12, 1879	Subscription	440 44	May 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	20 04	June 4, 1879	do	1,009 83
May 10, 1879	do	180 72			
May 24, 1879	do	261 56			
May 31, 1879	do	1,107 07			
		2,009 83			2,009 83
	E. B. Stephens, Binghamton, N. Y.:				
May 17, 1879	Subscription	5,024 80	May 21, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	20,110 70	May 22, 1879	do	5,000 00
May 31, 1879	do	15,094 27	May 23, 1879	do	5,000 00
June 7, 1879	do	5,034 52	May 27, 1879	do	5,000 00
			May 28, 1879	do	5,000 00
			May 30, 1879	do	5,000 00
			June 3, 1879	do	10,000 00
			June 9, 1879	do	5,000 00
			June 9, 1879	By transfer to Treasurer United States	264 29
		45,264 29			45,264 29

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Frederick T. Nichols, Bainbridge, N. Y.:				
Apr. 19, 1879	Subscription	$10 02	May 19, 1879	By transfer to assistant treasurer New York	$1,000 00
Apr. 30, 1879	....do	20 06	May 21, 1879	....do	1,000 00
May 17, 1879	....do	974 57	May 26, 1879	....do	1,000 00
May 24, 1879	....do	1,005 04	May 30, 1879	....do	1,000 00
May 31, 1879	....do	4,024 77	May 31, 1879	....do	1,000 00
			June 11, 1879	....do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	34 46
		6,034 46			6,034 46
	James McLeer, Brooklyn, N. Y.:				
May 10, 1879	Subscription	70,296 91	May 10, 1879	By transfer to assistant treasurer New York	50,000 00
May 17, 1879	....do	125,594 09	May 12, 1879	....do	20,000 00
May 24, 1879	....do	150,831 02	May 13, 1879	....do	10,000 00
May 31, 1879	....do	60,366 00	May 14, 1879	....do	10,000 00
			May 15, 1879	....do	20,000 00
			May 16, 1879	....do	25,000 00
			May 17, 1879	....do	10,000 00
			May 19, 1879	....do	20,000 00
			May 20, 1879	....do	30,000 00
			May 21, 1879	....do	30,000 00
			May 22, 1879	....do	30,000 00
			May 23, 1879	....do	20,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	20,000 00
			May 27, 1879	....do	31,000 00
			May 28, 1879	....do	20,000 00
			May 29, 1879	....do	30,000 00
			June 3, 1879	....do	11,088 02
		407,088 02			407,088 02
	James A. Nixon, Cortland, N. Y.:				
May 10, 1879	Subscription	6,628 79	May 14, 1879	By transfer to assistant treasurer New York	7,000 00
May 17, 1879	....do	13,462 85	May 17, 1879	....do	10,000 00
May 24, 1879	....do	46,562 97	May 19, 1879	....do	3,000 00
May 31, 1879	....do	18,818 60	May 22, 1879	....do	5,000 00
June 7, 1879	....do	1,430 19	May 24, 1879	....do	10,000 00
June 14, 1879	....do	18,724 39	May 27, 1879	....do	5,000 00
			May 29, 1879	....do	20,000 00
			June 4, 1879	....do	20,000 00
			June 12, 1879	....do	11,000 00

			June 24, 1879	....do	14,000 00
			June 28, 1879	By transfer to Treasurer United States	627 00
		105,627 79			105,627 79
	F. O. Chamberlain, Canandaigua, N. Y.:				
May 17, 1879	Subscription	8,040 79	May 20, 1879	By transfer to assistant treasurer New York	8,000 00
May 24, 1879	....do	21,117 00	May 22, 1879	....do	5,000 00
May 31, 1879	....do	25,157 00	May 24, 1879	....do	11,000 00
June 7, 1879	....do	10,069 50	May 26, 1879	....do	5,000 00
			May 27, 1879	....do	5,000 00
			May 28, 1879	....do	5,000 00
			May 29, 1879	....do	5,000 00
			May 31, 1879	....do	5,000 00
			June 3, 1879	....do	5,000 00
			June 12, 1879	....do	10,000 00
			June 23, 1879	By transfer to Treasurer United States	384 29
		64,384 29			64,384 29
	Arthur W. Thomas, Catskill, N. Y.:				
May 24, 1879	Subscription	15,082 75	May 27, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	....do	20,126 67	May 28, 1879	....do	10,000 00
June 7, 1879	....do	10,069 58	June 3, 1879	....do	15,000 00
			June 13, 1879	....do	10,000 00
			June 14, 1879	By transfer to Treasurer United States	279 00
		45,279 00			45,279 00
	J. W. Howson, Cazenovia, N. Y.:				
Apr. 5, 1879	Subscription	170 12	May 2, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	190 18	May 26, 1879	....do	1,000 00
Apr. 19, 1879	....do	270 53	May 28, 1879	....do	1,000 00
Apr. 30, 1879	....do	371 00	May 29, 1879	....do	1,000 00
May 10, 1879	....do	170 70	June 2, 1879	....do	1,000 00
May 17, 1879	....do	70 33	June 13, 1879	....do	1,000 00
May 24, 1879	....do	764 19	June 14, 1879	By transfer to Treasurer United States	32 79
May 31, 1879	....do	3,018 87			
June 7, 1879	....do	1,006 87			
		6,032 79			6,032 79
	B. P. Crocker, Cambridge, N. Y.:				
June 7, 1879	Subscription	15,105 57	June 3, 1879	By transfer to assistant treasurer New York	3,000 00
			June 11, 1879	....do	10,000 00
			June 13, 1879	....do	2,000 00
			June 13, 1879	By transfer to Treasurer United States	105 57
		15,105 57			15,105 57

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Bryant S. Palmer, Carmel, N. Y.:				
May 17, 1879	Subscription	$5,025 53	May 21, 1879	By transfer to assistant treasurer New York	$5,000 00
May 24, 1879	do	10,055 69	May 27, 1879	do	5,000 00
May 31, 1879	do	10,062 23	May 28, 1879	do	5,000 00
June 7, 1879	do	5,035 00	June 4, 1879	do	10,000 00
			June 9, 1879	do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	178 45
		30,178 45			30,178 45
	Everett B. Adams, Deposit, N. Y.:				
May 31, 1879	Subscription	10,065 00	May 30, 1879	By transfer to assistant treasurer New York	10,065 00
	John Hyland, Danville, N. Y.:				
Apr. 19, 1879	Subscription	320 64	Apr. 25, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	1,804 44	Apr. 28, 1879	do	1,000 00
May 10, 1879	do	632 58	May 20, 1879	do	1,000 00
May 17, 1879	do	321 54	May 26, 1879	do	1,000 00
May 24, 1879	do	1,941 03	May 29, 1879	do	1,000 00
May 31, 1879	do	4,025 84	May 30, 1879	do	2,000 00
June 7, 1879	do	2,014 06	June 2, 1879	do	2,000 00
			June 14, 1879	do	2,000 00
			June 14, 1879	By transfer to Treasurer United States	60 13
		11,060 13			11,060 13
	D. F. Pickering, Elmira, N. Y.:				
May 31, 1879	Subscription	10,065 52	June 7, 1879	By transfer to assistant treasurer New York	10,000 00
			June 7, 1879	By transfer to Treasurer United States	65 52
		10,065 52			10,065 52
	Charles L. Hemiup, Geneva, N. Y.:				
May 17, 1879	Subscription	5,025 50	May 21, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	5,028 00	May 28, 1879	do	5,000 00
May 31, 1879	do	10,065 50	May 31, 1879	do	5,000 00
June 7, 1879	do	5,035 50	June 3, 1879	do	5,000 00
			June 12, 1879	do	5,000 00
			June 12, 1879	By transfer to Treasurer United States	154 50
		25,154 50			25,154 50
	William Z. King, Greenport, N. Y.:				
May 17, 1879	Subscription	5,024 73	May 21, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	do	15,084 88	May 24, 1879	do	5,000 00

May 31, 1879	....do	10,064 48	May 27, 1879	....do	5,000 00
June 7, 1879	....do	10,070 26	May 29, 1879	....do	5,000 00
			June 3, 1879	....do	10,000 00
			June 11, 1879	....do	10,000 00
			June 19, 1879	By transfer to Treasurer United States	243 74
			June 27, 1879	....do	61
		40,244 35			40,244 35
	David Wiggins, Greenport, N. Y.:				
June 7, 1879	Subscription	5,035 06	June 9, 1879	By transfer to assistant treasurer New York	5,000 00
			June 12, 1879	....do	35 06
		5,035 06			5,035 06
	Newell Jones, Homer, N. Y.:				
May 31, 1879	Subscription	10,063 09	June 4, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	....do	5,034 52	June 12, 1879	....do	5,000 00
			June 18, 1879	By transfer to Treasurer United States	97 61
		15,097 61			15,097 61
	F. M. Cronkrite, Hornellsville, N. Y.:				
May 10, 1879	Subscription	6,024 58	May 8, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	....do	4,019 53	May 9, 1879	....do	2,000 00
May 24, 1879	....do	4,022 59	May 10, 1879	....do	2,000 00
May 31, 1879	....do	6,038 79	May 13, 1879	....do	2,000 00
June 7, 1879	....do	2,014 13	May 20, 1879	....do	2,000 00
			May 23, 1879	....do	2,000 00
			May 27, 1879	....do	2,000 00
			May 28, 1879	....do	2,000 00
			May 31, 1879	....do	2,000 00
			June 3, 1879	....do	2,000 00
			June 14, 1879	....do	2,000 00
			June 23, 1879	By transfer to Treasurer United States	119 62
		22,119 62			22,119 62
	Charles M. Warner, Jordan, New York.:				
May 24, 1879	Subscription	30 15	June 17, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	....do	10 06	July 26, 1879	By transfer to Treasurer United States	2,027 36
June 7, 1879	....do	1,248 80	Aug. 9, 1879	....do	50
June 14, 1879	....do	120 98			
June 30, 1879	....do	706 76			
July 19, 1879	....do	101 19			
July 31, 1879	....do	809 92			
		3,027 86			3,027 86
	J. C. Lewis, Lisle, N. Y.:				
Apr. 19, 1879	Subscription	1,001 86	Apr. 25, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	2,010 30	May 29, 1879	....do	2,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	J. C. Lewis, Lisle, N. Y.—Continued.				
June 7, 1879	Subscription	$1,007 01	June 17, 1879	By transfer to assistant treasurer New York	$1,000 00
			June 17, 1879	By transfer to Treasurer United States	19 17
		4,019 17			4,019 17
	W. A. Stafford, Little Falls, N. Y.:				
Apr. 12, 1879	Subscription	60 08	Apr. 23, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	871 43	May 3, 1879	do	1,000 00
Apr. 30, 1879	do	1,564 62	May 8, 1879	do	1,000 00
May 10, 1879	do	6,064 49	May 9, 1879	do	1,000 00
May 17, 1879	do	6,501 24	May 12, 1879	do	3,000 00
May 24, 1879	do	12,067 81	May 15, 1878	do	1,000 00
May 31, 1879	do	14,089 30	May 16, 1879	do	2,000 00
June 7, 1879	do	8,054 80	May 19, 1879	do	2,000 00
			May 20, 1879	do	2,000 00
			May 21, 1779	do	2,000 00
			May 22, 1879	do	2,000 00
			May 23, 1879	do	2,000 00
			May 24, 1879	do	2,000 00
			May 26, 1879	do	2,000 00
			May 27, 1879	do	2,000 00
			May 28, 1879	do	5,000 00
			May 29, 1879	do	5,000 00
			May 31, 1879	do	4,000 00
			June 3, 1879	do	4,000 00
			June 13, 1879	do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	273 77
		49,273 77			49,273 77
	O. S. Gilbert, Lima, N. Y.:				
May 17, 1879	Subscription	2,010 25	May 23, 1879	By transfer to assistant treasurer New York	4,000 00
May 24, 1879	do	6,034 86	May 24, 1879	do	2,000 00
May 31, 1879	do	12,076 54	May 26, 1879	do	2,000 00
June 7, 1879	do	2,014 24	May 27, 1879	do	2,000 00
			May 28, 1879	do	4,000 00
			May 29, 1879	do	2,000 00
			May 30, 1879	do	2,000 00
			June 4, 1879	do	2,000 00
			June 16, 1879	do	2,000 00
			June 17, 1879	By transfer to Treasurer United States	135 89
		22,135 89			22,135 89

	J. J. Seaver, Malone, N. Y.:				
June 7, 1879	Subscription	10,068 81	June 12, 1879	By transfer to assistant treasurer New York	10,000 00
			June 12, 1879	....do	68 81
		10,068 81			10,068 81
	Abram Van Tine, Matteawan, N. Y.:				
May 31, 1879	Subscription	10,064 35	June 2, 1879	By transfer to assistant treasurer New York	10,064 35
	J. L. Van Cleft, Middletown, N. Y.:				
May 17, 1879	Subscription	5,025 20	May 16, 1879	By transfer to assistant treasurer New York	5,025 20
May 24, 1879	....do	10,055 89	May 22, 1879	....do	5,000 00
May 31, 1879	....do	5,031 80	May 28, 1879	....do	5,000 00
June 7, 1879	....do	5,035 05	June 3, 1879	....do	5,000 00
			June 12, 1879	....do	5,000 00
			June 12, 1879	By transfer to Treasurer United States	122 74
		25,147 94			25,147 94
	T. L. James, New York, N. Y.:				
Apr. 12, 1879	Subscription	3,283 69	Apr. 14, 1879	By transfer to assistant treasurer New York	5,006 08
Apr. 19, 1879	....do	12,742 37	Apr. 15, 1879	....do	2,203 44
Apr. 30, 1879	....do	669,492 86	Apr. 16, 1879	....do	1,272 09
May 10, 1879	....do	1,130,229 10	Apr. 17, 1879	....do	1,883 41
May 17, 1879	....do	376,787 00	Apr. 18, 1879	....do	1,733 27
May 24, 1879	....do	904,972 00	Apr. 19, 1879	....do	3,927 77
May 31, 1879	....do	145,874 50	Apr. 21, 1879	....do	10,021 91
			Apr. 22, 1879	....do	19,043 78
			Apr. 23, 1879	....do	41,679 76
			Apr. 24, 1879	....do	40,390 34
			Apr. 25, 1879	....do	71,918 56
			Apr. 26, 1879	....do	161,429 21
			Apr. 28, 1879	....do	85,255 00
			Apr. 29, 1879	....do	105,325 50
			Apr. 30, 1879	....do	134,428 80
			May 1, 1879	....do	127,419 10
			May 2, 1879	....do	105,357 00
			May 3, 1879	....do	209,731 50
			May 5, 1879	....do	125,462 50
			May 6, 1879	....do	155,589 00
			May 7, 1879	....do	155,620 00
			May 8, 1879	....do	100,410 00
			May 9, 1879	....do	50,210 00
			May 10, 1879	....do	100,430 00
			May 12, 1879	....do	80,360 00
			May 13, 1879	....do	40,184 00
			May 14, 1879	....do	50,235 00
			May 15, 1879	....do	50,240 00
			May 16, 1879	....do	70,343 00
			May 17, 1879	....do	85,425 00
			May 19, 1879	....do	160,848 00
			May 20, 1879	....do	180,972 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date	Character of credits.	Amount.
	T. L. James, New York, N. Y.—Continued.		May 21, 1879	By transfer to assistant treasurer New York	$211,155 00
			May 22, 1879	....do	80,448 00
			May 23, 1879	....do	170,969 00
			May 24, 1879	....do	100,580 00
			May 26, 1879	....do	100,600 00
			May 27, 1879	....do	45,274 50
		$3,243,381 52			3,243,381 52
	J. K. Spaulding, Norwich, N. Y.:				
May 17, 1879	Subscription	3,014 39	May 24, 1879	By transfer to assistant treasurer New York	3,000 00
May 24, 1879	....do	3,016 49	May 26, 1879	....do	3,000 00
May 31, 1879	....do	6,038 08	May 29, 1879	....do	3,000 00
June 7, 1879	....do	3,021 60	June 3, 1879	....do	3,000 00
			June 14, 1879	....do	3,000 00
			June 14, 1879	By transfer to Treasurer United States	90 56
		15,090 56			15,090 56
	Cheney Ames, Oswego, N. Y.:				
Apr. 5, 1879	Subscription	210 21	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	570 57	May 5, 1877	....do	1,000 00
Apr. 19, 1879	....do	110 22	May 6, 1879	....do	2,000 00
Apr. 30, 1879	....do	952 76	May 10, 1879	....do	1,000 00
May 10, 1879	....do	8,190 67	May 12, 1879	....do	2,000 00
May 17, 1879	....do	11,055 00	May 13, 1879	....do	2,000 00
May 24, 1879	....do	10,056 50	May 15, 1879	....do	2,000 00
May 31, 1879	....do	25,160 00	May 17, 1879	....do	5,000 00
June 7, 1879	....do	5,033 50	May 21, 1879	....do	5,000 00
June 14, 1879	....do	1 00	May 22, 1879	....do	5,000 00
			May 26, 1879	....do	5,000 00
			May 27, 1879	....do	5,000 00
			May 28, 1879	....do	5,000 00
			May 29, 1879	....do	5,000 00
			May 30, 1879	....do	5,000 00
			June 3, 1879	....do	5,600 00
			June 12, 1879	....do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	340 43
		61,340 43			61,340 43
	John Cope, Oneonta, N. Y.:				
May 10, 1879	Subscription	4,016 69	May 14, 1879	By transfer to assistant treasurer New York	4,000 00
May 17, 1879	....do	4,019 00	May 21, 1879	....do	4,000 00

May 24, 1879	....do	8,044 39	May 22, 1879	....do	4,000 00
May 31, 1879	....do	8,049 20	May 26, 1879	....do	4,000 00
June 7, 1879	....do	4,027 20	May 28, 1879	....do	4,000 00
			June 2, 1879	....do	4,000 00
			June 10, 1879	....do	4,000 00
			June 10, 1879	By transfer to Treasurer United States	156 48
		28,156 48			28,156 48
	Charles D. Welles, Penn Yan, N. Y.:				
May 31, 1879	Subscription	10,061 37	June 3, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	....do	10,069 05	June 17, 1879	....do	10,000 00
			June 17, 1879	By transfer to Treasurer United States	130 42
		20,130 42			20,130 42
	Robert H. Hunter, Poughkeepsie, N. Y.:				
May 17, 1879	Subscription	10,047 68	May 17, 1879	By transfer to assistant treasurer New York	10,000 00
May 24, 1879	....do	50,286 96	May 20, 1879	....do	10,000 00
May 31, 1879	....do	65,417 96	May 23, 1879	....do	15,000 00
June 7, 1879	....do	10,071 00	May 24, 1879	....do	5,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	15,000 00
			May 28, 1879	....do	15,000 00
			May 30, 1879	....do	25,000 00
			June 3, 1879	....do	10,000 00
			June 12, 1879	....do	20,000 00
			June 14, 1879	By transfer to Treasurer United States	823 60
		135,823 60			135,823 60
	W. F. Gookin, Port Henry, N. Y.:				
May 10, 1879	Subscription	1,004 07	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	2,009 55	May 17, 1879	....do	1,000 00
May 24, 1879	....do	2,011 40	May 22, 1879	....do	1,000 00
May 31, 1879	....do	5,031 35	May 23, 1879	....do	1,000 00
June 7, 1879	....do	1,006 93	May 24, 1879	....do	1,000 00
			May 26, 1879	....do	1,000 00
			May 27, 1879	....do	1,000 00
			May 29, 1879	....do	1,000 00
			May 30, 1879	....do	1,000 00
			June 2, 1879	....do	1,000 00
			June 23, 1879	....do	1,000 00
			June 22, 1879	By transfer to Treasurer United States	63 30
		11,063 30			11,063 30
	Andrew N. Barnes, Rondout, N. Y.:				
May 24, 1879	Subscription	20,120 00	May 29, 1879	By transfer to assistant treasurer New York	20,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Andrew N. Barnes, Rondout, N. Y.—Continued.				
May 31, 1879	Subscription	$20,129 98	June 11, 1879	By transfer to assistant treasurer New York	$20,000 00
			June 11, 1879	By transfer to Treasurer United States	249 98
		40,249 98			40,249 98
	Daniel T. Hunt, Rochester, N. Y.:				
Apr. 5, 1879	Subscription	490 26	Apr. 12, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	1,951 81	Apr. 14, 1879	....do	1,000 00
Apr. 19, 1879	....do	4,569 05	Apr. 23, 1879	....do	5,000 00
Apr. 30, 1879	....do	15,045 57	Apr. 28, 1879	....do	3,000 00
May 10, 1879	....do	55,221 46	Apr. 29, 1879	....do	2,000 00
May 17, 1879	....do	25,123 47	Apr. 30, 1879	....do	5,000 00
May 24, 1879	....do	50,286 46	May 1, 1879	....do	5,000 00
May 31, 1879	....do	55,354 47	May 2, 1879	....do	5,000 00
June 7, 1879	....do	15,106 84	May 3, 1879	....do	5,000 00
			May 5, 1879	....do	5,000 00
			May 6, 1879	....do	5,000 00
			May 7, 1879	....do	5,000 00
			May 8, 1879	....do	5,000 00
			May 9, 1879	....do	10,000 00
			May 10, 1879	....do	10,000 00
			May 13, 1879	....do	5,000 00
			May 15, 1879	....do	5,000 00
			May 16, 1879	....do	5,000 00
			May 17, 1879	....do	5,000 00
			May 19, 1879	....do	5,000 00
			May 20, 1879	....do	5,000 00
			May 21, 1879	....do	10,000 00
			May 22, 1879	....do	10,000 00
			May 23, 1879	....do	10,000 00
			May 24, 1879	....do	10,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	10,000 00
			May 28, 1879	....do	10,000 00
			May 29, 1879	....do	10,000 00
			May 31, 1879	....do	15,000 00
			June 3, 1879	....do	10,000 00
			June 12, 1879	....do	16,000 00
			June 12, 1879	By transfer to Treasurer United States	149 39
		223,149 39			223,149 39
	John C. Davis, Riverhead, N. Y.:				
Apr. 30, 1879	Subscription	1,825 23	Apr. 29, 1879	By transfer to assistant treasurer New York	1,000 00

May 10, 1879	....do	3,704 59	May 3, 1879	....do	1,000 00
May 17, 1879	....do	2,371 41	May 6, 1879	....do	1,000 00
May 24, 1879	....do	2,021 22	May 8, 1879	....do	1,000 00
May 31, 1879	....do	2,133 54	May 10, 1879	....do	1,000 00
June 7, 1879	....do	2,014 28	May 14, 1879	....do	1,000 00
			May 15, 1879	....do	1,000 00
			May 19, 1879	....do	1,000 00
			May 27, 1879	....do	1,000 00
			May 28, 1879	....do	1,000 00
			May 30, 1879	....do	1,000 00
			June 3, 1879	....do	1,000 00
			June 14, 1879	....do	2,000 00
			June 21, 1879	By transfer to Treasurer United States	70 27
		14,070 27			14,070 27
	A. C. Chase, Syracuse, N. Y.:				
May 24, 1879	Subscription	10,054 28	May 22, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	....do	60,379 48	May 24, 1879	....do	5,000 00
June 7, 1879	....do	50,345 33	May 26, 1879	....do	10,000 00
			May 27, 1879	....do	20,000 00
			May 28, 1879	....do	5,000 00
			May 31, 1879	....do	20,000 00
			June 2, 1879	....do	10,000 00
			June 3, 1879	....do	40,000 00
			June 11, 1879	....do	5,000 00
			June 12, 1879	By transfer to Treasurer United States	779 09
		120,779 09			120,779 09
	S. G. Hamlin, Schenectady, N. Y.:				
May 24, 1879	Subscription	25,142 15	May 27, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	....do	10,062 50	May 28, 1879	....do	15,000 00
June 7, 1879	....do	6,394 52	June 3, 1879	....do	10,000 00
June 14, 1879	....do	8,711 59	June 10, 1879	....do	15,000 00
			June 10, 1879	By transfer to Treasurer United States	310 76
		50,310 76			50,310 76
	S. H. Gurney, Schenevus, N. Y.:				
Apr. 30, 1879	Subscription	10 03	May 28, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	90 40	June 2, 1879	....do	1,000 00
May 24, 1879	....do	905 13	June 7, 1879	....do	1,000 00
May 31, 1879	....do	1,006 40	June 7, 1879	By transfer to Treasurer United States	18 86
June 7, 1879	....do	1,006 90			
		3,018 86			3,018 86
	James Williamson, Sing Sing, N. Y.:				
May 17, 1879	Subscription	2,432 41	May 17, 1879	By transfer to assistant treasurer New York	2,000 00
May 24, 1879	....do	6,708 10	May 22, 1879	....do	5,000 00
May 31, 1879	....do	7,960 41	May 26, 1879	....do	5,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	James Williamson, Sing Sing, N. Y.—Continued.				
	Subscription	$5,035 08	May 29, 1879	By transfer to assistant treasurer New York	$5,000 00
			June 6, 1879	....do	5,000 00
			June 9, 1879	By transfer to Treasurer United States	136 00
		22,136 00			22,136 00
	William M. Halsey, Sag Harbor, N. Y.:				
June 7, 1879	Subscription	2,014 55	June 13, 1879	By transfer to assistant treasurer New York	2,000 00
			June 19, 1879	By transfer to Treasurer United States	14 55
		2,014 55			2,014 55
	James C. P. Kincaid, Utica, N. Y.:				
May 10, 1879	Subscription	3,975 80	May 9, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	....do	2,049 60	May 14, 1879	....do	2,000 00
May 24, 1879	....do	7,039 11	May 19, 1879	....do	2,000 00
May 31, 1879	....do	15,095 00	May 23, 1879	....do	2,000 00
June 7, 1879	....do	5,034 51	May 27, 1879	....do	5,000 00
			May 29, 1879	....do	5,000 00
			May 31, 1879	....do	5,000 00
			June 3, 1879	....do	5,000 00
			June 16, 1879	....do	5,000 00
			June 25, 1879	By transfer to Treasurer United States	194 02
		33,194 02			33,194 02
	A. B. Berard, West Point, N. Y.:				
May 31, 1879	Subscription	1,006 32	May 31, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	....do	1,007 15	June 11, 1879	....do	1,000 00
			June 19, 1879	By transfer to Treasurer United States	13 42
			June 19, 1879	....do	05
		2,013 47			2,013 47
	M. N. Dickinson, Warrensburgh, N. Y.:				
Apr. 12, 1879	Subscription	190 15	May 15, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	....do	30 06	May 28, 1879	....do	1,000 00
May 10, 1879	....do	612 43	June 3, 1879	....do	1,000 00
May 17, 1879	....do	271 25	June 18, 1879	....do	1,000 00
May 24, 1879	....do	904 92	June 19, 1879	By transfer to Treasurer United States	22 34
May 31, 1879	....do	1,006 31	June 26, 1879	....do	15

June 7, 1879	do	402 78			
June 14, 1879	do	604 59			
		4,022 49			4,022 49
	L. D. Davis, Wellsville, N. Y.:				
Apr. 12, 1879	Subscription	40 04	Apr. 22, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	1,743 58	Apr. 29, 1879	By transfer to Treasurer United States	99 86
May 10, 1879	do	1,505 76	May 7, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	do	3,377 66	May 10, 1879	do	1,000 00
May 24, 1879	do	3,378 71	May 14, 1879	do	2,000 00
May 31, 1879	do	3,019 10	May 16, 1879	do	1,000 00
June 7, 1879	do	2,316 64	May 20, 1879	do	1,000 00
June 14, 1879	do	705 50	May 21, 1879	By transfer to Treasurer United States	177 90
			May 24, 1879	By transfer to assistant treasurer New York	3,000 00
			May 29, 1879	do	3,000 00
			June 6, 1879	By transfer to Treasurer United States	100 00
			June 14, 1879	By transfer to assistant treasurer New York	2,709 29
		16,086 99			16,086 99
	Samuel C. Miller, White Plains, N. Y.:				
May 24, 1879	Subscription	3,269 50	May 28, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	5,787 25	May 29, 1879	do	4,000 00
June 7, 1879	do	2,014 00	June 3, 1879	do	2,000 00
			June 10, 1879	do	4,000 00
			June 10, 1879	By transfer to Treasurer United States	70 75
		11,070 75			11,070 75
	M. F. Rowe, Yonkers, N. Y.:				
Apr. 30, 1879	Subscription	1,003 18	May 2, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	4,016 06	May 6, 1879	do	1,000 00
May 17, 1879	do	3,014 86	May 8, 1879	do	1,000 00
May 24, 1879	do	5,028 52	May 10, 1879	do	1,000 00
May 31, 1879	do	4,025 20	May 13, 1879	do	1,000 00
June 7, 1879	do	1,006 90	May 15, 1879	do	1,000 00
			May 17, 1879	do	1,000 00
			May 20, 1879	do	1,000 00
			May 21, 1879	do	1,000 00
			May 22, 1879	do	1,000 00
			May 23, 1879	do	1,000 00
			May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00
			June 2, 1879	do	1,000 00
			June 6, 1879	do	1,000 00
			June 6, 1879	By transfer to Treasurer United States	94 72
		18,094 72			18,094 72

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	J. C. Vanderbeck, Allentown, N. J.:				
Apr. 30, 1879	Subscription	361 02	May 15, 1879	By transfer to assistant treasurer New York	$2,000 00
May 10, 1879	do	1,516 94	May 20, 1879	do	2,000 00
May 17, 1879	do	301 49	May 27, 1879	do	2,000 00
May 24, 1879	do	1,835 27	May 28, 1879	do	2,000 00
May 31, 1879	do	8,050 51	May 29, 1879	do	2,000 00
June 7, 1879	do	2,014 79	June 2, 1879	do	2,000 00
June 14, 1879	do	4 96	June 18, 1879	do	2,000 00
			July 19, 1879	By transfer to Treasurer United States	84 98
		14,084 98			14,084 98
	Horace Dodd, Bloomfield, N. J.:				
May 17, 1879	Subscription	1,004 84	May 20, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	2,011 26	May 24, 1879	do	1,000 00
June 7, 1879	do	2,013 95	June 2, 1879	do	1,000 00
			June 3, 1879	do	1,000 00
			June 14, 1879	do	1,000 00
			June 14, 1879	By transfer to Treasurer United States	30 00
		5,030 05			5,030 05
	H. Wetteroth, Bordentown, N. J.:				
May 24, 1879	Subscription	10,056 74	May 21, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	do	8,050 80	May 22, 1879	do	2,000 00
June 7, 1879	do	2,013 80	May 23, 1879	do	2,000 00
			May 24, 1879	do	2,000 00
			May 26, 1879	do	2,000 00
			May 27, 1879	do	2,000 00
			May 28, 1879	do	2,000 00
			May 29, 1879	do	2,000 00
			June 2, 1879	do	2,000 00
			June 7, 1879	do	2,000 00
			June 7, 1879	By transfer to Treasurer United States	121 34
		20,121 34			20,121 34
	E. B. Dawson, Boonton, N. J.:				
May 24, 1879	Subscription	10,054 50	May 23, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	do	5,031 50	May 27, 1879	do	5,000 00
June 7, 1879	do	3,021 29	June 3, 1879	do	5,000 00
			June 9, 1879	do	3,000 00
			June 14, 1879	By transfer to Treasurer United States	107 29
		18,107 29			18,107 29

	Mary J. Martin, Burlington, N. J.:				
May 31, 1879	Subscription	3,018 20	May 26, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	....do	1,006 79	May 29, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
			May 31, 1879	By transfer to assistant treasurer New York	1,000 00
			June 7, 1879	....do	1,000 00
			June 7, 1879	By transfer to Treasurer United States	24 99
		4,024 99			4,024 99
	Henry B. Wilson, Camden, N. J.:				
May 24, 1879	Subscription	3,017 71	May 27, 1879	By transfer to assistant treasurer New York	3,000 00
May 31, 1879	....do	3,018 91	June 2, 1879	By transfer to assistant treasurerPhiladelphia	3,000 00
June 7, 1879	....do	3,021 37	June 7, 1879	By transfer to assistant treasurer New York	3,000 00
			June 12, 1879	....do	57 99
		9,057 99			9,057 99
	Alpheus Beemer, Dover, N. J.:				
May 24, 1879	Subscription	4,023 60	May 31, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	....do	11,070 10	June 10, 1879	....do	5,093 70
			June 13, 1879	....do	5,000 00
		15,093 70			15,093 70
	Chauncey Harris, Elizabeth, N. J.:				
May 10, 1879	Subscription	50,198 24	May 6, 1879	By transfer to assistant treasurer New York	15,000 00
May 17, 1879	....do	80,384 66	May 7, 1879	....do	10,000 00
May 24, 1879	....do	140,772 62	May 12, 1879	....do	20,000 00
May 31, 1879	....do	75,462 02	May 14, 1879	....do	15,000 00
June 7, 1879	....do	5,033 98	May 15, 1879	....do	10,000 00
			May 16, 1879	....do	20,000 00
			May 17, 1879	....do	25,000 00
			May 19, 1879	....do	25,000 00
			May 20, 1879	....do	25,000 00
			May 21, 1879	....do	25,000 00
			May 22, 1879	....do	25,000 00
			May 23, 1879	....do	25,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	20,000 00
			May 27, 1879	....do	21,000 00
			May 28, 1879	....do	15,000 00
			May 29, 1879	....do	15,000 00
			June 2, 1879	....do	15,000 00
			June 5, 1879	....do	5,000 00
			June 5, 1879	By transfer to Treasurer United States	851 52
		351,851 52			351,851 52
	Edwin F. Applegate, Freehold, N. J.:				
Apr. 30, 1879	Subscription	1,002 73	May 2, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	2,007 87	May 8, 1879	....do	1,000 00
May 17, 1879	....do	2,009 98	May 14, 1879	....do	2,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Edwin F. Applegate, Freehold, N. J.—Continued.				
May 24, 1879	Subscription	$3,016 86	May 17, 1879	By transfer to assistant treasurer, New York	$1,000 00
May 31, 1879	do	4,025 22	May 19, 1879	do	1,000 00
June 7, 1879	do	2,014 03	May 20, 1879	do	1,000 00
			May 22, 1879	do	1,000 00
			May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 31, 1879	do	2,000 00
			June 12, 1879	do	1,000 00
			June 12, 1879	By transfer to Treasurer United States	76 69
		14,076 69			14,076 69
	R. Rusling, jr., Hackettstown, N. J.:				
May 31, 1879	Subscription	25,158 50	May 28, 1879	By transfer to assistant treasurer New York	5,000 00
June 7, 1879	do	3,020 70	May 29, 1879	do	5,000 00
			May 30, 1879	do	5,000 00
			June 4, 1879	do	5,000 00
			June 6, 1879	do	5,000 00
			June 9, 1879	do	3,000 00
			June 10, 1879	By transfer to Treasurer United States	179 20
		28,179 20			28,179 20
	Charles Keeler, Hightstown, N. J.:				
May 17, 1879	Subscription	1,005 19	May 20, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	3,017 49	May 22, 1879	do	1,000 00
May 31, 1879	do	5,032 00	May 23, 1879	do	1,000 00
June 7, 1879	do	1,007 98	May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00
			June 2, 1879	do	1,000 00
			June 7, 1879	do	1,000 00
			June 9, 1879	do	61 76
		10,061 76			10,061 76
	H. A. Green, Jersey City, N. J.:				
May 10, 1879	Subscription	20,083 29	May 10, 1879	By transfer to assistant treasurer New York	20,000 00
May 17, 1879	do	45,221 38	May 13, 1879	do	15,000 00
May 24, 1879	do	120,672 89	May 15, 1879	do	10,000 00

May 31, 1879	....do	75,461 37	May 16, 1879	....do	20,000 00
			May 17, 1879	....do	20,000 00
			May 20, 1879	....do	20,000 00
			May 21, 1879	....do	20,000 00
			May 22, 1879	....do	20,000 00
			May 23, 1879	....do	20,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	20,000 00
			May 27, 1879	....do	20,000 20
			May 28, 1879	....do	20,000 00
			May 29, 1879	....do	16,000 00
			June 5, 1879	By transfer to Treasurer United States	438 93
		261,438 93			261,438 93
	Rufus Ogden, Keyport, N. J.:				
May 10, 1879	Subscription	502 20	May 16, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	....do	592 84	May 27, 1879	....do	1,000 00
May 24, 1879	....do	915 22	May 31, 1879	....do	1,000 00
May 31, 1879	....do	2,013 04	June 3, 1879	....do	1,000 00
June 7, 1879	....do	1,006 90	June 7, 1879	....do	1,000 00
			June 16, 1879	....do	30 20
		5,030 20			5,030 20
	John R. Runyon, Morristown, N. J.:				
Apr. 5, 1879	Subscription	60 02	Apr. 23, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	190 17	Apr. 29, 1879	....do	1,000 00
Apr. 19, 1879	....do	751 49	May 1, 1879	....do	1,000 00
Apr. 30, 1879	....do	6,058 09	May 2, 1879	....do	2,000 00
May 10, 1879	....do	16,072 66	May 8, 1879	....do	6,000 00
May 17, 1879	....do	11,000 89	May 9, 1879	....do	2,000 00
May 24, 1879	....do	40,219 41	May 10, 1879	....do	3,000 00
May 31, 1879	....do	16,099 68	May 12, 1879	....do	2,000 00
June 7, 1879	....do	10,070 00	May 15, 1879	....do	5,000 00
			May 19, 1879	....do	10,000 00
			May 21, 1879	....do	10,000 00
			May 23, 1879	....do	15,000 00
			May 27, 1879	....do	10,000 00
			May 29, 1879	....do	6,000 00
			June 3, 1879	....do	16,000 00
			June 10, 1879	....do	10,000 00
			June 10, 1879	By transfer to Treasurer United States	522 41
		100,522 41			100,522 41
	J. F. Laumaster, Mount Holly, N. J.:				
May 17, 1879	Subscription	5,025 75	May 21, 1879	By transfer to assistant treasurer New York	5,000 00
May 24, 1879	....do	5,028 00	May 27, 1879	....do	5,000 00
May 31, 1879	....do	10,064 00	May 29, 1879	....do	5,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	J. F. Laumaster, Mount Holly, N. J.—Continued.				
June 7, 1879	Subscription	$5,036 00	June 3, 1879	By transfer to assistant treasurer New York	$5,000 00
			June 16, 1879	By transfer to Treasurer United States	153 75
			June 17, 1879	By transfer to assistant treasurer New York	5,000 00
		25,153 75			25,153 75
	J. W. Newlin, Millville, N. J.:				
June 7, 1879	Subscription	5,035 49	June 7, 1879	By transfer to assistant treasurer New York	5,000 00
			June 16, 1879	By transfer to Treasurer United States	35 49
		5,035 49			5,035 49
	William Ward, Newark, N. J.:				
May 10, 1879	Subscription	51,005 40	May 10, 1879	By transfer to assistant treasurer New York	50,000 00
May 17, 1879	....do	204,577 34	May 12, 1879	....do	40,000 00
May 24, 1879	....do	336,455 80	May 13, 1879	....do	20,000 00
May 31, 1879	....do	66,407 00	May 13, 1879	By transfer to Treasurer United States	5,000 00
June 7, 1879	....do	15,103 50	May 14, 1879	By transfer to assistant treasurer New York	20,000 00
			May 15, 1879	....do	20,000 00
			May 16, 1879	....do	20,000 00
			May 16, 1879	By transfer to Treasurer United States	20,000 00
			May 17, 1879	By transfer to assistant treasurer New York	25,000 00
			May 17, 1879	By transfer to Treasurer United States	20,000 00
			May 19, 1879	By transfer to assistant treasurer New York	30,000 00
			May 19, 1879	By transfer to Treasurer United States	20,000 00
			May 20, 1879	By transfer to assistant treasurer New York	40,000 00
			May 20, 1879	By transfer to Treasurer United States	20,000 00
			May 21, 1879	By transfer to assistant treasurer New York	50,000 00
			May 21, 1879	By transfer to Treasurer United States	20,000 00
			May 22, 1879	By transfer to assistant treasurer New York	30,000 00
			May 22, 1879	By transfer to Treasurer United States	20,000 00
			May 23, 1879	By transfer to assistant treasurer New York	40,000 00
			May 24, 1879	....do	30,000 00
			May 24, 1879	By transfer to Treasurer United States	25,000 00
			May 26, 1879	By transfer to assistant treasurer New York	25,000 00
			May 27, 1879	....do	20,000 00
			May 29, 1879	By transfer to Treasurer United States	15,000 00
			June 2, 1879	By transfer to assistant treasurer New York	20,000 00
			June 3, 1879	....do	10,000 00
			June 7, 1879	....do	18,000 00
			June 7, 1879	By transfer to Treasurer United States	549 04
		673,549 04			673,549 04

	William R. Mattison, Newton, N. J.:				
Apr. 30, 1879	Subscription	3,640 62	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	14,837 22	May 2, 1879	....do	1,000 00
May 17, 1879	....do	20,689 89	May 5, 1879	....do	2,000 00
May 24, 1879	....do	83,466 90	May 7, 1879	....do	3,000 00
May 31, 1879	....do	50,313 00	May 8, 1879	....do	3,000 00
June 7, 1879	....do	10,069 00	May 9, 1879	....do	5,000 00
			May 13, 1879	....do	2,000 00
			May 15, 1879	....do	6,000 00
			May 16, 1879	....do	5,000 00
			May 17, 1879	....do	5,000 00
			May 19, 1879	....do	5,000 00
			May 20, 1879	....do	6,000 00
			May 21, 1879	....do	12,000 00
			May 22, 1879	....do	20,000 00
			May 23, 1879	....do	20,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	10,000 00
			May 28, 1879	....do	10,000 00
			May 29, 1879	....do	10,000 00
			May 30, 1879	....do	10,000 00
			June 3, 1879	....do	10,000 00
			June 6, 1879	....do	7,000 00
			July 9, 1879	By transfer to Treasurer United States	16 63
		183,016 63			183,016 63
	Joseph F. Fisher, New Brunswick, N. J.:				
May 17, 1879	Subscription	20,099 61	May 19, 1879	By transfer to assistant treasurer New York	11,000 00
May 24, 1879	....do	110,597 27	May 20, 1879	....do	9,000 00
May 31, 1879	....do	35,213 70	May 21, 1879	....do	30,000 00
			May 22, 1879	....do	30,000 00
			May 26, 1879	....do	50,000 00
			May 27, 1879	....do	10,000 00
			May 29, 1879	....do	20,000 00
			June 15, 1879	....do	5,910 58
		165,910 58			165,910 58
	A. M. Condit, Orange, N. J.:				
June 7, 1879	Subscription	5,034 00	June 7, 1879	By transfer to Treasurer United States	34 00
			June 9, 1879	By transfer to assistant treasurer New York	5,000 00
		5,034 00			5,034 00
	John L. Conklin, Patterson, N. J.:				
May 10, 1879	Subscription	4,016 37	May 12, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	....do	12,057 43	May 13, 1879	....do	2,000 00
May 24, 1879	....do	27,154 28	May 15, 1879	....do	4,000 00
May 31, 1879	....do	23,143 80	May 17, 1879	....do	4,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	John L. Conklin, Paterson, N. J.—Continued.				
June 7, 1879	Subscription	$15,102 00	May 21, 1879	By transfer to assistant treasurer New York	$8,000 00
			May 23, 1879	....do	4,000 00
			May 24, 1879	....do	4,000 00
			May 27, 1879	....do	10,000 00
			May 28, 1879	....do	13,000 00
			May 29, 1879	....do	5,000 00
			June 2, 1879	....do	10,000 00
			June 7, 1879	....do	15,000 00
			June 7, 1879	By transfer to Treasurer United States	473 88
		81,473 88			81,473 88
	William C. Vandewater, Princeton, N. J.:				
May 24, 1879	Subscription	9,657 60	May 27, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	....do	10,466 48	June 2, 1879	....do	10,000 00
June 7, 1879	....do	10,071 00	June 6, 1879	....do	10,000 00
			June 6, 1879	By transfer to Treasurer United States	195 08
		30,195 08			30,195 08
	Thomas Newell, Passaic, N. J.:				
May 24, 1879	Subscription	15,083 75	May 26, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	....do	10,060 51	May 27, 1879	....do	10,000 00
June 7, 1879	....do	10,070 00	June 2, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
			June 9, 1879	By transfer to assistant treasurer New York	10,000 00
			June 9, 1879	By transfer to Treasurer United States	214 26
		35,214 26			35,214 26
	J. R. Lovell, Phillipsburgh, N. J.:				
May 31, 1879	Subscription	10,066 00	June 7, 1879	By transfer to assistant treasurer New York	10,000 00
			July 31, 1879	By transfer to Treasurer United States	66 00
		10,066 00			10,066 00
	Charles H. Houghton, Perth Amboy, N. J.:				
Apr. 5, 1879	Subscription	710 00	Apr. 11, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	370 59	May 1, 1879	....do	1,000 00
Apr. 19, 1879	....do	661 32	May 3, 1879	....do	1,000 00
Apr. 30, 1879	....do	260 75	May 5, 1879	....do	1,000 00
May 10, 1879	....do	6,023 10	May 6, 1879	....do	1,000 00
May 17, 1879	....do	2,009 53	May 8, 1879	....do	1,000 00
May 24, 1879	....do	15,085 81	May 9, 1879	....do	1,000 00

May 31, 1879	....do	20,123 83	May 12, 1879	....do	1,000 00
June 7, 1879	....do	5,033 97	May 15, 1879	....do	1,000 00
			May 19, 1879	....do	1,000 00
			May 20, 1879	....do	1,000 00
			May 22, 1879	....do	3,000 00
			May 24, 1879	....do	5,000 00
			May 26, 1879	....do	5,000 00
			May 27, 1879	....do	5,000 00
			May 28, 1879	....do	5,000 00
			May 29, 1879	....do	6,000 00
			June 2, 1879	....do	5,000 00
			June 12, 1879	....do	5,000 00
			June 20, 1879	By transfer to treasurer United States	278 90
		50,278 90			50,278 90
	H. C. Cadmus, South Amboy, N. J.:				
May 24, 1879	Subscription	1,005 64	May 27, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	....do	1,006 30	June 1, 1879	....do	1,000 00
June 7, 1879	....do	1,006 90	June 9, 1879	....do	1,000 00
			June 15, 1879	By transfer to Treasurer United States	18 84
		3,018 84			3,018 84
	Emma J. Porter, Somerville, N. J.:				
May 31, 1879	Subscription	10,066 85	June 11, 1879	By transfer to assistant treasurer New York	15,000 00
June 7, 1879	....do	5,035 07	June 11, 1879	By transfer to Treasurer United States	101 92
		15,101 92			15,101 92
	Israel Howell, Trenton, N. J.:				
Apr. 5, 1879	Subscription	1,000 45	Apr. 7, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 12, 1879	....do	4,073 54	Apr. 10, 1879	....do	2,000 00
Apr. 19, 1879	....do	691 25	Apr. 12, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 30, 1879	....do	63,427 63	Apr. 14, 1879	....do	1,000 00
May 10, 1879	....do	213,851 21	Apr. 22, 1879	....do	2,000 00
May 17, 1879	....do	120,594 99	Apr. 23, 1879	....do	2,000 00
May 24, 1879	....do	211,179 53	Apr. 26, 1879	....do	12,000 00
May 31, 1879	....do	80,505 77	Apr. 28, 1879	....do	12,000 00
June 7, 1879	....do	15,105 21	Apr. 29, 1879	....do	12,000 00
			Apr. 30, 1879	....do	12,000 00
			May 1, 1879	By transfer to assistant treasurer New York	12,000 00
			May 2, 1879	By transfer to assistant treasurer Philadelphia	12,000 00
			May 3, 1879	....do	12,000 00
			May 5, 1879	....do	12,000 00
			May 6, 1879	....do	17,000 00
			May 7, 1879	....do	30,000 00
			May 8, 1879	....do	20,000 00
			May 9, 1879	....do	15,000 00
			May 10, 1879	....do	29,000 00
			May 12, 1879	....do	30,000 00
			May 13, 1879	....do	46,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Israel Howell, Trenton, N. J.—Continued.		May 14, 1879	By transfer to assistant treasurer Philadelphia	$20,000 00
			May 15, 1879	....do	20,000 00
			May 16, 1879	....do	20,000 00
			May 17, 1879	....do	10,000 00
			May 19, 1879	....do	20,000 00
			May 20, 1879	....do	30,000 00
			May 21, 1879	....do	35,000 00
			May 22, 1879	....do	30,000 00
			May 23, 1879	....do	31,000 00
			May 24, 1879	....do	20,000 00
			May 26, 1879	....do	46,000 00
			May 27, 1879	....do	30,000 00
			May 28, 1879	....do	50,000 00
			May 29, 1879	....do	16,000 00
			June 2, 1879	....do	20,000 00
			June 6, 1879	By transfer to assistant treasurer New York	29,000 00
			June 6, 1879	By transfer to Treasurer United States	429 68
		$710,429 68			$710,429 68
	S. R. Fowler, Vineland, New Jersey:				
Apr. 12, 1879	Subscription	660 66	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	....do	160 32	May 8, 1879	....do	2,000 00
Apr. 30, 1879	....do	571 59	May 9, 1879	....do	3,000 00
May 10, 1879	....do	11,436 91	May 12, 1879	....do	2,000 00
May 17, 1879	....do	8,260 50	May 15, 1879	....do	5,000 00
May 24, 1879	....do	25,141 75	May 19, 1879	....do	3,000 00
May 31, 1879	....do	50,320 13	May 20, 1879	....do	10,000 00
June 7, 1879	....do	5,036 00	May 23, 1879	....do	10,000 00
			May 24, 1879	....do	10,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	10,000 00
			May 28, 1879	....do	10,000 00
			May 30, 1879	....do	15,000 00
			June 3, 1879	....do	5,000 00
			June 9, 1879	By transfer to Treasurer United States	587 86
			June 10, 1879	By transfer to assistant treasurer New York	5,000 00
		101,587 86			101,587 86
	C. P. Abbott, Woodbury, N. J.:				
Apr. 30, 1879	Subscription	481 44	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	873 48	May 15, 1879	....do	1,000 00

May 17, 1879	....do	2,663 25	May 20, 1879	....do	2,000 00
May 24, 1879	....do	2,010 00	May 26, 1879	....do	2,000 00
May 31, 1879	....do	2,012 00	June 3, 1879	....do	2,000 00
June 7, 1879	....do	2,014 00	June 16, 1879	....do	2,000 00
			June 16, 1879	By transfer to Treasurer United States	54 17
		10,054 17			10,054 17
	Frederick Decker, Westfield, N. J.:				
Apr. 30, 1879	Subscription	290 87	May 8, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	1,716 69	May 15, 1879	....do	1,000 00
May 17, 1879	....do	1,004 94	May 19, 1879	....do	1,000 00
May 24, 1879	....do	2,011 06	May 22, 1879	....do	1,000 00
May 31, 1879	....do	2,012 82	May 27, 1879	....do	1,000 00
June 7, 1879	....do	1,006 91	May 30, 1879	....do	1,000 00
			June 3, 1879	....do	1,000 00
			June 17, 1879	....do	1,000 09
			July 18, 1879	By transfer to Treasurer United States	43 29
		8,043 29			8,043 29
	W. W. Jenkins, Charlotte, N. C.:				
May 31, 1879	Subscription	12,076 32	May 30, 1879	By transfer to Treasurer United States	6,000 00
			June 6, 1879	....do	6,076 32
		12,076 32			12,076 32
	Thomas Powers, New Berne, N. C.:				
Apr. 19, 1879	Subscription	3,005 41	Apr. 21, 1879	By transfer to Treasurer United States	2,000 00
Apr. 30, 1879	....do	8,020 08	Apr. 22, 1879	....do	1,000 00
May 10, 1879	....do	6,022 32	Apr. 26, 1879	....do	3,000 00
May 17, 1879	....do	4,018 90	Apr. 29, 1879	....do	1,000 00
May 24, 1879	....do	4,022 09	May 2, 1879	....do	3,000 00
May 31, 1879	....do	14,089 60	May 5, 1879	....do	1,000 00
			May 8, 1879	....do	2,000 00
			May 9, 1879	....do	1,000 00
			May 10, 1879	....do	1,000 00
			May 15, 1879	....do	2,000 00
			May 20, 1879	....do	4,000 00
			May 26, 1879	....do	2,000 00
			May 28, 1879	....do	4,000 00
			May 30, 1879	....do	4,000 00
			May 31, 1879	....do	4,000 00
			June 6, 1879	....do	4,000 00
			June 7, 1879	....do	178 40
		39,178 40			39,178 40
	H. W. Shore, Salem, N. C.:				
Apr. 30, 1879	Subscription	220 71	May 12, 1879	By transfer to Treasurer United States	1,000 00
May 10, 1879	....do	782 93	May 20, 1879	....do	2,000 00
May 17, 1879	....do	2,009 20	May 27, 1879	....do	2,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	H. W. Shore, Salem, N. C.—Continued.				
May 24, 1879	Subscription	$2,010 99	May 29, 1879	By transfer to Treasurer United States	$2,000 00
May 31, 1879	....do	4,025 58	June 2, 1879	....do	2,000 00
June 7, 1879	....do	2,013 80	June 6, 1879	....do	2,063 21
		11,063 21			11,063 21
	Ed. R. Brink, Wilmington, N. C.:				
Apr. 12, 1879	Subscription	750 78	Apr. 19, 1879	By transfer to Treasurer United States	1,000 00
Apr. 19, 1879	....do	400 76	Apr. 30, 1879	....do	1,000 00
Apr. 30, 1879	....do	1,855 07	May 3, 1879	....do	1,000 00
May 10, 1879	....do	3,011 90	May 5, 1879	....do	1,000 00
May 17, 1879	....do	5,025 41	May 10, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	....do	6,033 64	May 14, 1879	....do	1,000 00
May 31, 1879	....do	18,116 47	May 16, 1879	By transfer to Treasurer United States	1,000 00
			May 19, 1879	....do	2,000 00
			May 21, 1879	....do	2,000 00
			May 22, 1879	....do	2,000 00
			May 26, 1879	....do	7,000 00
			May 29, 1879	....do	3,000 00
			May 30, 1879	....do	3,000 00
			May 31, 1879	....do	5,000 00
			June 12, 1879	....do	4,194 03
		35,194 03			35,194 03
	W. A. Walker, Winston, N. C.:				
May 31, 1879	Subscription	2,012 20	June 4, 1879	By transfer to Treasurer United States	4,000 00
June 7, 1879	....do	4,028 40	June 11, 1879	....do	2,040 60
		6,040 60			6,040 60
	James E. Larkin, Concord, N. H.:				
May 31, 1879	Subscription	20,133 00	June 3, 1879	By transfer to assistant treasurer Boston	5,000 00
June 7, 1879	....do	5,036 00	June 14, 1879	....do	20,000 00
			June 14, 1879	By transfer to Treasurer United States	169 00
		25,169 00			25,169 00
	Hosea B. Carter, East Hampstead, N. H.:				
Apr. 12, 1879	Subscription	40 04	May 23, 1879	By transfer to assistant treasurer Boston	1,000 00
Apr. 30, 1879	....do	90 27	May 30, 1879	....do	1,000 00
May 10, 1879	....do	150 60	May 31, 1879	....do	2,000 00
May 17, 1879	....do	723 60	June 14, 1879	....do	1,000 00
May 24, 1879	....do	1,006 00	June 24, 1879	By transfer to Treasurer United States	30 66

May 31, 1879	.....do	2,516 65			
June 7, 1879	.....do	503 50			
		5,030 66			5,030 66
	A. Smith, Keene, N. H.:				
May 17, 1879	Subscription	5,024 70	May 22, 1879	By transfer to assistant treasurer Boston	5,000 00
May 24, 1879	.....do	9,553 98	May 29, 1879	.....do	5,000 00
May 31, 1879	.....do	12,581 47	May 31, 1879	.....do	10,000 00
June 7, 1879	.....do	7,512 25	June 2, 1879	.....do	10,000 00
June 14, 1879	.....do	3,034 05	June 17, 1879	.....do	5,000 00
June 21, 1879	.....do	2,551 30	June 25, 1879	..... do	5,000 00
			June 25, 1879	By transfer to Treasurer United States	257 75
		40,257 75			40,257 75
	C. E. Allen, Lancaster, N. H.:				
June 7, 1879	Subscription	1,007 20	June 11, 1879	By transfer to assistant treasurer Boston	1,000 00
			July 22, 1879	By transfer to Treasurer United States	7 20
		1,007 20			1,007 20
	H. A. Marsh, Nashua, N. H.:				
May 17, 1879	Subscription	5,024 26	May 19, 1879	By transfer to assistant treasurer Boston	5,000 00
May 24, 1879	.....do	20,113 38	May 20, 1879	.....do	5,000 00
May 31, 1879	.....do	25,161 50	May 23, 1879	.....do	5,000 00
June 7, 1879	.....do	5,034 50	May 24, 1879	.....do	5,000 00
			May 26, 1879	.....do	5,000 00
			May 27, 1879	.....do	5,000 00
			May 28, 1879	.....do	5,000 00
			May 29, 1879	..... do	5,000 00
			May 31, 1879	.....do	5,000 00
			June 2, 1879	.....do	5,000 00
			June 14, 1879	.....do	5,000 00
			June 14, 1879	By transfer to Treasurer United States	333 63
			July 22, 1879	.....do	01
		55,333 64			55,333 64
	Alfred F. Howard, Portsmouth, N. H.:				
May 10, 1879	Subscription	10,042 74	May 14, 1879	By transfer to assistant treasurer New York	10,000 00
May 17, 1879	.....do	10,047 12	May 16, 1879	By transfer to assistant treasurer Boston	10,000 00
May 24, 1879	.....do	30,165 47	May 20, 1879	.....do	10,000 00
May 31, 1879	.....do	40,253 13	May 26, 1879	.....do	10,000 00
			May 28, 1879	.....do	10,000 00
			May 30, 1879	.....do	20,000 00
			May 31, 1879	.....do	10,000 00
			June 13, 1879	.....do	10,000 00
			June 13, 1879	By transfer to Treasurer United States	508 46
		90,508 46			90,508 46

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	O. B. Warren, Rochester, N. H.:				
May 31, 1879	Subscription	$5,029 68	June 5, 1879	By transfer to assistant treasurer Boston	$5,000 00
June 7, 1879	do	5,035 61	June 13, 1879	do	5,000 00
			June 13, 1879	By transfer to Treasurer United States	65 29
		10,065 29			10,065 29
	E. H. Carroll, Warner, N. H.:				
June 7, 1879	Subscription	6,255 31	June 13, 1879	By transfer to assistant treasurer Boston	5,000 00
June 14, 1879	do	2,369 11	June 23, 1879	do	5,000 00
June 21, 1879	do	5,800 54	July 12, 1879	do	5,121 68
June 30, 1879	do	696 72			
		15,121 68			15,121 68
	W. H. Ziemendorff, Arago, Nebr.:				
Apr. 30, 1879	Subscription	501 65	May 13, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 10, 1879	do	501 70	May 28, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 17, 1879	do	602 98	July 7, 1879	do	1,000 00
May 24, 1879	do	402 20	Aug. 7, 1879	do	1,028 41
May 31, 1879	do	201 29			
June 7, 1879	do	100 79			
June 30, 1879	do	151 43			
July 5, 1879	do	555 58			
July 12, 1879	do	1,010 85			
		4,028 41			4,028 41
	George Cross, Fairbury, Nebr.:				
May 24, 1879	Subscription	2,008 66	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	1,006 36	May 26, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
June 7, 1879	do	1,007 01	June 2, 1879	do	1,000 00
June 14, 1879	do	3,024 00	June 12, 1879	By transfer to assistant treasurer Chicago	2,000 00
June 21, 1879	do	3,026 31	June 12, 1879	By transfer to assistant treasurer Saint Louis	2,000 00
			June 21, 1879	do	2,000 00
			July 5, 1879	By transfer to Treasurer United States	72 34
			July 7, 1879	By transfer to assistant treasurer Chicago	1,000 00
		10,072 34			10,072 34
	Thomas F. Hall, Omaha, Nebr.:				
June 7, 1879	Subscription	50,147 85	June 3, 1879	By transfer to assistant treasurer Chicago	45,000 00
June 14, 1879	do	201 56	June 17, 1879	do	5,000 00
			June 17, 1879	By transfer to Treasurer United States	349 41
		50,349 41			50,349 41

	J. F. Stiegemeier, Pawnee City, Nebr.:				
Apr. 19, 1879	Subscription	10 02	May 24, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
Apr. 30, 1879	do	601 65	June 5, 1879	do	1,000 00
May 10, 1879	do	10 04	June 21, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 17, 1879	do	381 88	June 23, 1879	By transfer to Treasurer United States	17 13
May 31, 1879	do	1,006 18			
June 7, 1879	do	705 06			
June 14, 1879	do	302 30			
		3,017 13			3,017 13
	Lou. M. Davis, Tecumseh, Nebr.:				
Apr. 30, 1879	Subscription	722 21	May 21, 1879	By transfer to assistant treasurer Saint Louis	1,000 00
May 10, 1879	do	50 20	June 28, 1879	By transfer to assistant treasurer Chicago	1,000 00
May 17, 1879	do	150 75	June 30, 1879	By transfer to Treasurer United States	1,022 09
May 24, 1879	do	201 10			
June 7, 1879	do	100 70			
June 21, 1879	do	151 28			
June 30, 1879	do	1,645 85			
		3,022 09			3,022 09
	James B. Storer, Akron, Ohio:				
May 10, 1879	Subscription	1,566 24	May 15, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	do	1,145 70	May 15, 1879	do	2,018 44
May 24, 1879	do	1,306 50			
		4,018 44			4,018 44
	J. M. Todd, Bridgeport, Ohio:				
June 7, 1879	Subscription	20,146 00	June 12, 1879	By transfer to assistant treasurer New York	20,146 00
	S. B. Piper, Barnesville, Ohio:				
May 31, 1879	Subscription	1,006 69	June 10, 1879	By transfer to assistant treasurer New York	1,000 00
			June 10, 1879	By transfer to Treasurer United States	6 69
		1,006 69			1,006 69
	Oscar Eaton, Bryan, Ohio:				
May 24, 1879	Subscription	8,045 81	May 14, 1879	By transfer to Treasurer United States	2,000 00
May 31, 1879	do	18,113 32	May 23, 1879	By transfer to assistant treasurer New York	3,000 00
			May 24, 1879	do	3,000 00
			May 27, 1879	do	5,000 00
			May 28, 1879	do	5,000 00
			May 30, 1879	do	5,000 00
			June 4, 1879	do	3,000 00
			June 23, 1879	By transfer to Treasurer United States	159 13
		26,159 13			26,159 13
	R. M. Dutton, Chester Hill, Ohio:				
May 17, 1879	Subscription	1,004 83	May 23, 1879	By transfer to assistant treasurer New York	1,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	R. M. Dutton, Chester Hill, Ohio—Continued.				
May 24, 1879	Subscription	$1,005 63	May 31, 1879	By transfer to assistant treasurer New York	$1,000 00
May 31, 1879	do	1,006 69	June 3, 1879	do	1,000 00
June 7, 1879	do	775 64	June 11, 1879	do	1,000 00
June 14, 1879	do	453 58	July 31, 1879	do	1,000 00
June 21, 1879	do	292 50	July 31, 1879	do	33 58
June 30, 1879	do	494 71			
		5,033 58			5,033 58
	Samuel Tschappat, Clarington, Ohio:				
Apr. 30, 1879	Subscription	1,494 68	May 7, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	2,520 34	May 8, 1879	do	1,000 00
May 17, 1879	do	1,004 90	May 13, 1879	do	1,000 00
May 24, 1879	do	1,005 68	May 16, 1879	do	1,000 00
May 31, 1879	do	2,314 80	May 20, 1879	do	1,000 00
June 7, 1879	do	1,601 29	May 29, 1879	do	1,000 00
June 14, 1879	do	110 85	May 31, 1879	do	2,000 00
			June 17, 1879	do	2,000 00
			June 17, 1879	By transfer to Treasurer United States	52 54
		10,052 54			10,052 54
	A. Vignos, Canton, Ohio:				
June 7, 1879	Subscription	3,020 85	June 6, 1879	By transfer to Treasurer United States	3,020 85
	David Esterley, Columbiana, Ohio:				
Apr. 30, 1879	Subscription	50 15	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	953 63	May 29, 1879	do	1,000 00
May 17, 1879	do	502 41	June 16, 1879	do	1,000 00
May 24, 1879	do	382 15	June 21, 1879	By transfer to Treasurer United States	15 96
May 31, 1879	do	473 10			
June 7, 1879	do	654 52			
		3,015 96			3,015 96
	George W. Howe, Cleveland, Ohio:				
Apr. 5, 1879	Subscription	2,780 21	Apr. 5, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 12, 1879	do	2,182 31	Apr. 11, 1879	do	1,000 00
Apr. 19, 1879	do	711 38	Apr. 17, 1879	do	1,000 00
Apr. 30, 1879	do	13,137 97	Apr. 21, 1879	do	1,000 00
May 10, 1879	do	12,279 17	Apr. 25, 1879	do	2,000 00
May 17, 1879	do	10,049 97	Apr. 28, 1879	do	2,000 00
May 24, 1879	do	25,144 11	Apr. 29, 1879	do	1,000 00
May 31, 1879	do	35,227 96	Apr. 30, 1879	do	4,000 00

June 7, 1879	....do	20,139 17	May 3, 1879	....do	3,000 00
			May 5, 1879	....do	2,000 00
			May 7, 1879	....do	2,000 00
			May 9, 1879	....do	3,000 00
			May 10, 1879	....do	2,000 00
			May 13, 1879	....do	2,000 00
			May 15, 1879	....do	3,000 00
			May 17, 1879	....do	5,000 00
			May 21, 1879	....do	5,000 00
			May 24, 1879	....do	10,000 00
			May 27, 1879	....do	15,000 00
			May 28, 1879	....do	10,000 00
			May 29, 1879	....do	10,000 00
			June 3, 1879	....do	15,000 00
			June 10, 1879	....do	20,000 00
			June 11, 1879	By transfer to Treasurer United States	652 25
		121,652 25			121,652 25
	John P. Loge, Cincinnati, Ohio:				
May 24, 1879	Subscription	40,232 00	May 26, 1879	By transfer to assistant treasurer Cincinnati	30,000 00
May 31, 1879	....do	82,512 80	May 29, 1879	....do	52,000 00
			June 4, 1879	....do	40,744 80
		122,744 80			122,744 80
	Rush Reynolds, Covington, Ohio:				
Apr. 30, 1879	Subscription	1,002 74	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	....do	2,007 97	May 6, 1879	....do	1,000 00
May 17, 1879	....do	1,005 04	May 16, 1879	....do	1,000 00
May 24, 1879	....do	1,005 81	May 23, 1879	....do	1,000 00
May 31, 1879	....do	2,012 70	May 26, 1879	....do	1,000 00
June 7, 1879	....do	1,006 90	May 29, 1879	....do	1,000 00
			June 2, 1879	....do	1,000 00
			June 10, 1879	....do	1,000 00
			June 11, 1879	By transfer to Treasurer United States	41 16
		8,041 16			8,041 16
	A. D. Rodgers, Columbus, Ohio:				
May 10, 1879	Subscription	10,044 00	May 15, 1879	By transfer to assistant treasurer New York	10,000 00
May 17, 1879	....do	10,049 00	May 19, 1879	....do	10,000 00
May 24, 1879	....do	20,113 93	May 24, 1879	....do	10,000 00
May 31, 1879	....do	20,132 00	May 29, 1879	....do	10,000 00
June 7, 1879	....do	10,070 00	May 31, 1879	....do	10,000 00
			June 3, 1879	....do	10,000 00
			June 13, 1879	....do	10,000 00
			June 16, 1879	By transfer to Treasurer United States	408 93
		70,408 93			70,408 93

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	R. H. Stephenson, Cincinnati, Ohio:				
May 17, 1879	Subscription	$166,776 20	May 12, 1879	By transfer to assistant treasurer Cincinnati	$10,000 00
May 24, 1879	do	381,094 90	May 13, 1879	do	63,542 40
May 31, 1879	do	95,590 80	May 14, 1879	do	18 80
			May 17, 1879	do	43,000 00
			May 19, 1879	do	53,000 00
			May 20, 1879	do	90,000 00
			May 21, 1879	do	73,000 00
			May 22, 1879	do	90,000 00
			May 24, 1879	do	73,000 00
			May 26, 1879	do	43,000 00
			May 29, 1879	do	52,000 00
			June 4, 1879	do	52,900 70
		643,461 90			643,461 90
	J. F. Curren, Delaware, Ohio:				
Apr. 19, 1879	Subscription	1,001 86	Apr. 22, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	2,005 57	Apr. 28, 1879	do	1,000 00
May 10, 1879	do	2,008 10	May 3, 1879	do	1,000 00
May 17, 1879	do	1,004 91	May 10, 1879	do	1,000 00
May 24, 1879	do	1,005 59	May 15, 1879	do	1,000 00
May 31, 1879	do	2,012 90	May 21, 1879	do	1,000 00
June 7, 1879	do	1,006 91	May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00
			June 2, 1879	do	1,000 00
			June 9, 1879	do	1,000 00
			June 10, 1879	By transfer to Treasurer United States	45 84
		10,045 84			10,045 84
	George J. Krebs, Fremont, Ohio:				
May 24, 1879	Subscription	1,870 54	May 29, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	do	1,862 13	June 3, 1879	do	2,000 00
June 7, 1879	do	1,299 42	June 18, 1879	do	2,000 00
June 14, 1879	do	1,007 67	June 27, 1879	By transfer to Treasurer United States	39 76
		6,039 76			6,039 76
	Sarah M. Russell, Glendale, Ohio:				
May 31, 1879	Subscription	10,061 71	June 4, 1879	By transfer to assistant treasurer New York	10,000 00
June 7, 1879	do	10,071 81	June 13, 1879	By transfer to Treasurer United States	133 52
			June 18, 1879	By transfer to assistant treasurer New York	10,000 00
		20,133 52			20,133 52

	S. P. Baldridge, Jackson, Ohio:				
May 10, 1879	Subscription	2,008 23	May 12, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	do	3,014 02	May 13, 1879	do	2,000 00
May 24, 1879	do	1,005 55	May 19, 1879	do	1,000 00
May 31, 1879	do	1,006 58	May 30, 1879	do	1,000 00
June 7, 1879	do	1,007 01	June 3, 1879	do	1,000 00
			June 17, 1879	do	1,000 00
			June 17, 1879	By transfer to Treasurer United States	41 39
		8,041 39			8,041 39
	H. Sagebird, Kenton, Ohio:				
May 17, 1879	Subscription	311 55	May 31, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	301 64	June 12, 1879	do	1,000 00
May 31, 1879	do	1,399 11	June 12, 1879	By transfer to Treasurer United States	12 30
		2,012 30			2,012 30
	Augustus Palmer, Lee, Ohio:				
April 19, 1879	Subscription	10 02	June 6, 1879	By transfer to assistant treasurer New York	1,000 00
April 30, 1879	do	100 30	June 17, 1879	By transfer to Treasurer United States	13 66
May 31, 1879	do	895 34	June 20, 1879	By transfer to assistant treasurer New York	1,000 00
June 14, 1879	do	1,008 00			
		2,013 66			2,013 66
	F. F. Rempel, Logan, Ohio:				
June 7, 1879	Subscription	10,069 10	June 9, 1879	By transfer to assistant treasurer New York	10,000 00
			June 9, 1879	By transfer to Treasurer United States	69 10
		10,069 10			10,069 10
	Thomas E. Douglas, Mansfield, Ohio:				
May 24, 1879	Subscription	4,174 06	May 29, 1879	By transfer to assistant treasurer New York	5,000 00
May 31, 1879	do	5,887 77	June 3, 1879	do	5,000 00
June 7, 1879	do	5,035 07	June 10, 1879	do	5,000 00
			June 10, 1879	By transfer to Treasurer United States	96 90
		15,096 90			15,096 90
	C. F. Ricks, Massillon, Ohio:				
April 19, 1879	Subscription	270 54	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
April 30, 1879	do	1,142 81	May 3, 1879	do	1,000 00
May 10, 1879	do	2,599 77	May 7, 1879	do	1,000 00
May 17, 1879	do	1,005 00	May 12, 1879	do	1,000 00
May 24, 1879	do	2,011 00	May 17, 1879	do	1,000 00
May 31, 1879	do	3,020 00	May 22, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			May 29, 1879	do	1,000 00
			June 7, 1879	do	1,000 00
			June 7, 1879	By transfer to Treasurer United States	49 12
		10,049 12			10,049 12

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	Thomas Hammond, McConnellsville, Ohio:				
May 31, 1879	Subscription	1,006 32	June 2, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	do	1,007 26	June 7, 1879	do	1,000 00
			June 25, 1879	By transfer to Treasurer United States	13 58
		2,013 58			2,013 58
	William Schulenberg, New Bremen, Ohio:				
May 17, 1879	Subscription	1,004 85	May 20, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	1,005 59	May 26, 1879	do	1,000 00
May 31, 1879	do	2,012 80	May 29, 1879	do	1,000 00
June 7, 1879	do	1,007 01	June 2, 1879	do	1,000 00
			June 14, 1879	do	1,000 00
			June 21, 1879	By transfer to Treasurer United States	30 25
		5,030 25			5,030 25
	Enoch Fribley, New Philadelphia, Ohio:				
May 31, 1879	Subscription	2,012 00	May 29, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	do	1,007 00	June 3, 1879	do	1,000 00
			June 10, 1879	do	1,000 00
			June 10, 1879	By transfer to Treasurer United States	19 00
		3,019 00			3,019 00
	R. C. Hoover, jr., Osborn, Ohio:				
Apr. 30, 1879	Subscription	90 21	May 5, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	40 16	May 31, 1879	do	1,000 00
May 24, 1879	do	875 22	June 16, 1879	do	1,000 00
June 7, 1879	do	2,014 00	June 21, 1879	By transfer to Treasurer United States	19 59
		3,019 59			3,019 59
	William C. Elliott, Pataskala, Ohio:				
May 10, 1879	Subscription	150 65	May 30, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	do	552 55	June 16, 1879	do	1,000 00
May 24, 1879	do	100 49	June 24, 1879	do	1,000 00
May 31, 1879	do	201 34	June 26, 1879	By transfer to Treasurer United States	21 78
June 14, 1879	do	554 47			
June 21, 1879	do	1,462 28			
		3,021 78			3,021 78

	J. F. Scofield, Painesville, Ohio:				
May 10, 1879	Subscription	1,948 51	May 16, 1879	By transfer to assistant treasurer New York	5,000 00
May 17, 1879	..... do	8,100 04	May 22, 1879	.....do	5,000 00
May 24, 1879	.....do	5,029 48	May 27, 1879	.....do	5,000 00
May 31, 1879	.....do	10,064 19	May 29, 1879	..... do	5,000 00
June 7, 1879	.....do	5,035 49	June 2, 1879	.....do	5,000 00
			June 18, 1879	.....do	5,000 00
			June 18, 1879	By transfer to Treasurer United States	177 71
		30,177 71			30,177 71
	James Browne, Reading, Ohio:				
Apr. 12, 1879	Subscription	180 18	June 6, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 19, 1879	.....do	120 24	June 18, 1879	.....do	1,000 00
Apr. 30, 1879	.....do	20 06	July 5, 1879	By transfer to Treasurer United States	17 61
May 17, 1879	.....do	683 40			
May 24, 1879	.....do	503 00			
June 7, 1879	.....do	1,510 73			
		3,017 61			3,017 61
	Decatur Jones, Republic, Ohio:				
June 7, 1879	Subscription	90 65	July 14, 1879	By transfer to Treasurer United States	1,008 87
June 14, 1879	.....do	211 61			
June 21, 1879	.....do	30 26			
June 30, 1879	.....do	676 26			
July 5, 1879	.....do	09			
		1,008 87			1,008 87
	Winfield S. Krake, Ravenna, Ohio:				
Apr. 12, 1879	Subscription	130 16	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	.....do	30 06	May 1, 1879	.....do	2,000 00
Apr. 30, 1879	.....do	2,848 14	May 7, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 10, 1879	.....do	4,015 60	May 8, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	.....do	2,009 75	May 12, 1879	.....do	1,000 00
May 24, 1879	.....do	2,011 07	May 14, 1879	.....do	1,000 00
May 31, 1879	.....do	6,038 90	May 17, 1879	.....do	1,000 00
			May 20, 1879	.....do	1,000 00
			May 24, 1879	.....do	2,000 00
			May 28, 1879	.....do	2,000 00
			May 30, 1879	.....do	2,000 00
			June 12, 1879	.....do	2,000 00
			June 12, 1879	By transfer to Treasurer United States	83 68
		17,083 68			17,083 68
	John A. Shipman, Springfield, Ohio:				
June 7, 1879	Subscription	25,178 59	June 11, 1879	By transfer to assistant treasurer New York	20,000 00
			June 14, 1879	.....do	5,000 00
			June 14, 1879	By transfer to Treasurer United States	178 59
		25,178 59			25,178 59

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	Frank O'Neal, Steubenville, Ohio:				
June 7, 1879	Subscription	$4,028 22	June 3, 1879	By transfer to assistant treasurer New York	$2,014 00
			June 9, 1879	....do	2,000 00
			June 14, 1879	By transfer to Treasurer United States	14 22
		4,028 22			4,028 22
	Allan Boyle, Salem, Ohio:				
May 17, 1879	Subscription	4,925 22	May 20, 1879	By transfer to assistant treasurer New York	2,000 00
May 24, 1879	.....do	12,140 65	May 23, 1879	.....do	5,000 00
May 31, 1879	.....do	24,848 20	May 24, 1879	.... do	5,000 00
June 7, 1879	.....do	5,376 93	May 26, 1879	.....do	10,000 00
			May 28, 1879	.....do	5,000 00
			May 30, 1879	.....do	5,000 00
			May 31, 1879	.....do	5,000 00
			June 3, 1879	.... do	5,000 00
			June 9, 1879	.....do	5,000 00
			June 9, 1879	By transfer to Treasurer United States	291 00
		47,291 00			47,291 00
	F. M. Sterrett, Troy, Ohio:				
May 24, 1879	Subscription	1,005 37	May 29, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	.....do	1,006 47	June 5, 1879	.....do	1,000 00
June 7, 1879	.....do	1,007 12	June 12, 1879	.....do	1,000 00
			June 13, 1879	By transfer to Treasurer United States	18 95
			July 29, 1879	.....do	01
		3,018 96			3,018 96
	George W. Lawton, Unionville, Ohio:				
Apr. 19, 1879	Subscription	230 36	May 17, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	.....do	20 04	May 29, 1879	.....do	1,000 00
May 10, 1879	.....do	502 12	June 4, 1879	.....do	1,000 00
May 17, 1879	.....do	251 31	July 17, 1879	By transfer to Treasurer United States	1,024 05
May 24, 1879	.....do	1,005 68			
May 31, 1879	.....do	1,006 61			
June 7, 1879	.....do	503 70			
June 14, 1879	.....do	352 88			
June 21, 1879	.....do	151 35			
		4,024 05			4,024 05

	Henry Pound, Vienna, Ohio:				
June 14, 1879	Subscription	856 68	July 5, 1879	By transfer to Treasurer United States	7 99
June 21, 1879	do	151 31	July 9, 1879	By transfer to assistant treasurer New York	1,000 00
		1,007 99			1,007 99
	A. L. Whiteman, Wapakoneta, Ohio:				
May 24, 1879	Subscription	2,010 60	May 26, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	do	2,012 00	June 2, 1879	do	4,000 00
June 7, 1879	do	4,027 20	June 12, 1879	do	2,000 00
			June 12, 1879	By transfer to Treasurer United States	49 80
		8,049 80			8,049 80
	W. S. Harlan, Zanesville, Ohio:				
May 24, 1879	Subscription	10,058 01	May 29, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	do	10,064 98	June 5, 1879	do	10,122 99
		20,122 99			20,122 99
	B. H. Chambers, Avondale, Pa.:				
May 31, 1879	Subscription	362 27	June 12, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
June 7, 1879	do	644 51	June 19, 1879	By transfer to Treasurer United States	6 76
			July 17, 1879	do	02
		1,006 78			1,006 78
	C. Smith, Annville, Pa.:				
Apr. 30, 1879	Subscription	100 31	May 10, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	2,912 30	May 17, 1879	do	2,000 00
May 17, 1879	do	2,009 60	May 19, 1879	do	2,000 00
May 24, 1879	do	4,022 70	May 24, 1879	do	2,000 00
May 31, 1879	do	2,012 80	May 28, 1879	do	2,000 00
June 7, 1879	do	2,013 80	May 31, 1879	do	2,000 00
			June 13, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
			June 14, 1879	do	71 51
		13,071 51			13,071 51
	Robert Iredell, jr., Allentown, Pa.:				
Apr. 19, 1879	Subscription	511 02	Apr. 23, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 30, 1879	do	5,615 31	Apr. 24, 1879	do	1,000 00
May 10, 1879	do	6,915 88	Apr. 28, 1879	do	2,000 00
May 17, 1879	do	4,020 00	Apr. 30, 1879	do	1,000 00
May 24, 1879	do	7,039 00	May 1, 1879	do	1,000 00
May 31, 1879	do	7,042 60	May 2, 1879	do	1,000 00
June 7, 1879	do	2,014 00	May 5, 1879	do	1,000 00
			May 7, 1879	do	1,000 00
			May 8, 1879	do	1,000 00
			May 9, 1879	do	1,000 00
			May 12, 1879	do	1,000 00
			May 13, 1879	do	1,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Robert Iredell, jr., Allentown, Pa.—Continued.		May 15, 1879	By transfer to assistant treasurer Philadelphia	$1,000 00
			May 16, 1879	do	1,000 00
			May 19, 1879	do	1,000 00
			May 20, 1879	do	2,000 00
			May 21, 1879	do	1,000 00
			May 22, 1879	do	1,000 00
			May 23, 1879	do	1,000 00
			May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 27, 1879	do	2,000 00
			May 28, 1879	do	2,000 00
			May 29, 1879	do	2,000 00
			June 2, 1879	do	2,000 00
			June 6, 1879	do	2,000 00
			June 9, 1879	By transfer to Treasurer United States	157 81
		$33,157 81			33,157 81
	T. B. Patton, Altoona, Pa.:				
May 24, 1879	Subscription	2,011 36	May 23, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 31, 1879	do	2,012 88	May 28, 1879	do	1,000 00
June 7, 1879	do	1,006 91	May 29, 1879	do	1,000 00
			June 2, 1879	do	1,000 00
			June 7, 1879	do	1,000 00
			June 7, 1879	By transfer to Treasurer United States	31 15
		5,031 15			5,031 15
	John A. Myler, Allegheny, Pa.:				
May 31, 1879	Subscription	10,064 66	May 31, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
June 7, 1879	do	10,070 13	June 6, 1879	do	10,000 00
			June 13, 1879	do	134 79
		20,134 79			20,134 79
	W. B. Baker, Bristol, Pa.:				
May 24, 1879	Subscription	1,006 00	May 29, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 31, 1879	do	1,006 50	June 3, 1879	do	1,000 00
June 7, 1879	do	1,007 31	June 12, 1879	do	1,000 00
			June 19, 1879	By transfer to Treasurer United States	19 81
		3,019 81			3,019 81

	John T. Johnston, Bellefonte, Pa.:				
May 24, 1879	Subscription	30,166 52	May 23, 1879	By transfer to assistant treasurer Philadelphia	20,000 00
May 31, 1879	do	10,064 66	May 29, 1879	do	10,000 00
			June 5, 1879	By transfer to Treasurer United States	231 18
			June 6, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
		40,231 18			40,231 18
	John Lerch, Bethlehem, Pa.:				
May 24, 1879	Subscription	10,055 67	May 23, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
May 31, 1879	do	7,044 21	May 24, 1879	do	3,000 00
June 7, 1879	do	3,020 72	May 27, 1879	do	2,000 00
			May 29, 1879	do	5,000 00
			June 2, 1879	do	5,000 00
			June 7, 1879	do	3,000 00
			June 7, 1879	By transfer to Treasurer United States	120 60
		20,120 60			20,120 60
	Peter A. Ganlin, Clearfield, Pa.:				
June 7, 1879	Subscription	10,070 00	June 9, 1879	By transfer to assistant treasurer New York	10,000 00
			June 18, 1879	By transfer to Treasurer United States	70 00
		10,070 00			10,070 00
	D. O. Gehr, Chambersburg, Pa.:				
Apr. 19, 1879	Subscription	601 20	Apr. 28, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 30, 1879	do	531 49	May 9, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	1,877 44	May 13, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 17, 1879	do	2,009 52	May 16, 1879	do	1,000 00
May 24, 1879	do	3,016 89	May 20, 1879	do	1,000 00
May 31, 1879	do	4,024 00	May 23, 1879	do	1,000 00
June 7, 1879	do	4,027 21	May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			June 2, 1879	do	4,000 00
			June 6, 1879	do	4,000 00
			June 6, 1879	By transfer to Treasurer United States	87 75
		16,087 75			16,087 75
	W. H. Martin, Chester, Pa.:				
May 10, 1879	Subscription	5,021 49	May 14, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
May 17, 1879	do	10,049 01	May 17, 1879	do	5,000 00
May 24, 1879	do	120,672 50	May 20, 1879	do	20,000 00
May 31, 1879	do	30,186 50	May 21, 1879	do	25,000 00
June 7, 1879	do	15,102 00	May 22, 1879	do	15,000 00
			May 23, 1879	do	25,000 00
			May 24, 1879	do	10,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	5,000 00
			May 29, 1879	do	15,000 00
			June 2, 1879	do	30,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	W. H. Martin, Chester, Pa.—Continued.		June 11, 1879	By transfer to Assistant Treasurer, Philadelphia	$16,000 00
			June 12, 1879	By transfer to Treasurer United States	31 50
		$181,031 50			181,031 50
	J. L. Meloy, Carlisle, Pa.:				
May 24, 1879	Subscription	5,030 00	May 23, 1879	By transfer to Treasurer United States	5,030 00
May 31, 1879	do	10,065 58	May 28, 1879	do	5,032 58
June 7, 1879	do	3,020 70	May 29, 1879	do	34 00
			May 29, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
			June 12, 1879	By transfer to Treasurer United States	19 70
			June 13, 1879	By transfer to assistant treasurer Philadelphia	3,000 00
		18,116 28			18,116 28
	C. W. Eckman, Danville, Pa.:				
June 7, 1879	Subscription	10,070 85	June 11, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
			June 11, 1879	By transfer to Treasurer United States	70 85
		10,070 85			10,070 85
	M. B. Heisz, Dushore, Pa.:				
May 10, 1879	Subscription	261 08	May 16, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	do	743 50	May 27, 1879	do	1,000 00
May 24, 1879	do	482 79	June 11, 1879	By transfer to Treasurer United States	16 87
May 31, 1879	do	704 55	June 13, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
June 7, 1879	do	825 95	June 30, 1879	By transfer to Treasurer United States	1 00
		3,017 87			3,017 87
	Thomas P. Miller, Doylestown, Pa.:				
May 24, 1879	Subscription	10,046 39	May 23, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
May 31, 1879	do	5,031 80	May 27, 1879	do	5,000 00
June 7, 1879	do	5,045 14	June 3, 1879	do	5,000 00
			June 13, 1879	do	5,000 00
			June 13, 1879	By transfer to treasurer United States	123 33
		20,123 33			20,123 33
	James K. Dawes, Easton, Pa.:				
May 10, 1879	Subscription	35,140 93	May 9, 1879	By transfer to assistant treasurer New York	15,000 00
May 17, 1879	do	40,193 93	May 12, 1879	do	12,000 00
May 24, 1879	do	60,334 99	May 14, 1879	do	10,000 00

May 31, 1879	do	60,381 00	May 15, 1879	do	10,000 00
			May 17, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
			May 19, 1879	do	8,000 00
			May 21, 1879	do	20,000 00
			May 22, 1879	do	10,000 00
			May 23, 1879	do	10,000 00
			May 24, 1879	do	10,000 00
			May 26, 1879	do	20,000 00
			May 27, 1879	do	10,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	20,000 00
			May 31, 1879	do	10,000 00
			June 6, 1879	do	11,000 00
			June 6, 1879	By transfer to Treasurer United States	50 85
		196,050 85			196,050 85
	Thomas M. Walker, Erie, Pa.:				
Apr. 5, 1879	Subscription	2,160 07	Apr. 9, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 12, 1879	do	180 87	Apr. 28, 1879	do	2,000 00
Apr. 19, 1879	do	230 44	May 1, 1879	do	2,000 00
Apr. 30, 1879	do	8,764 65	May 2, 1879	do	2,000 00
May 10, 1879	do	46,876 76	May 5, 1879	do	1,000 00
May 17, 1879	do	40,188 41	May 6, 1879	do	2,000 00
May 24, 1879	do	75,428 05	May 7, 1879	do	7,000 00
May 31, 1879	do	50,316 90	May 8, 1879	do	10,000 00
June 7, 1879	do	20,138 50	May 9, 1879	do	10,000 00
			May 10, 1879	do	10,000 00
			May 12, 1879	do	10,000 00
			May 13, 1879	do	10,000 00
			May 14, 1879	do	10,000 00
			May 15, 1879	do	5,000 00
			May 16, 1879	do	5,000 00
			May 17, 1879	do	5,000 00
			May 19, 1879	do	5,000 00
			May 20, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
			May 21, 1879	By transfer to assistant treasurer New York	5,000 00
			May 22, 1879	do	5,000 00
			May 24, 1879	do	10,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	10,000 00
			May 29, 1879	do	30,000 00
			May 30, 1879	do	20,000 00
			June 3, 1879	do	20,000 00
			June 10, 1879	By transfer to Treasurer United States	284 65
			June 11, 1879	By transfer to assistant treasurer New York	31,000 00
		244,284 65			244,284 65
	James H. Douglas, Freeport, Pa.:				
May 24, 1879	Subscription	2,012 00	May 29, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
May 31, 1879	do	2,014 00	June 3, 1879	do	2,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	James H. Douglas, Freeport, Pa.—Continued:				
June 7, 1879	Subscription	$2,014 00	June 9, 1879	By transfer to assistant treasurer Philadelphia	$2,000 00
			June 14, 1879	By transfer to Treasurer United States	40 00
		6,040 00			6,040 00
	David D. Grant, Franklin, Pa.:				
May 10, 1879	Subscription	150 64	May 17, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
May 17, 1879	do	3,868 73	May 22, 1879	do	2,000 00
May 24, 1879	do	2,011 40	May 26, 1879	do	2,000 00
May 31, 1879	do	24,153 81	May 28, 1879	do	2,000 00
June 7, 1879	do	20	May 30, 1879	do	5,000 00
			May 31, 1879	By transfer to assistant treasurer New York	5,000 00
			June 6, 1879	By transfer to Treasurer United States	184 78
			June 7, 1879	By transfer to assistant treasurer Philadelphia	12,000 00
		30,184 78			30,184 78
	John M. Krauth, Gettysburg, Pa.:				
May 31, 1879	Subscription	10,064 50	May 29, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
			June 9, 1879	do	5,000 00
			June 9, 1879	By transfer to Treasurer United States	64 50
		10,064 50			10,064 50
	J. Hall Musse, Huntingdon, Pa.:				
Apr. 12, 1879	Subscription	100 09	May 8, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 19, 1879	do	50 10	May 26, 1879	do	1,000 00
Apr. 30, 1879	do	210 69	May 29, 1879	do	1,000 00
May 10, 1879	do	692 72	June 2, 1879	do	1,000 00
May 17, 1879	do	100 48	June 12, 1879	do	1,000 00
May 24, 1879	do	854 77	June 19, 1879	By transfer to Treasurer United States	28 59
May 31, 1879	do	2,012 69			
June 7, 1879	do	1,007 05			
		5,028 59			5,028 59
	M. H. McAlarney, Harrisburg, Pa.:				
Apr. 5, 1879	Subscription	3,100 00	Apr. 4, 1879	By transfer to assistant treasurer Philadelphia	3,000 00
Apr. 12, 1879	do	1,100 78	Apr. 11, 1879	do	1,000 00
Apr. 19, 1879	do	4,808 89	Apr. 22, 1879	do	5,000 00
Apr. 30, 1879	do	15,042 43	Apr. 26, 1879	do	1,000 00
May 10, 1879	do	91,351 93	Apr. 28, 1879	do	5,000 00
May 17, 1879	do	60,285 15	Apr. 30, 1879	do	4,000 00
May 24, 1879	do	120,664 39	May 1, 1879	do	1,000 00

May 31, 1879	do	80,496 45	May 3, 1879	do	5,000 00
June 7, 1879	do	30,204 00	May 5, 1879	do	7,000 00
			May 6, 1879	do	15,000 00
			May 7, 1879	do	10,000 00
			May 8, 1879	do	10,000 00
			May 9, 1879	do	15,000 00
			May 10, 1879	do	10,000 00
			May 12, 1879	By transfer to assistant treasurer New York	15,000 00
			May 13, 1879	do	8,000 00
			May 14, 1879	do	15,000 00
			May 16, 1879	do	10,000 00
			May 17, 1879	do	10,000 00
			May 19, 1879	By transfer to assistant treasurer Philadelphia	20,000 00
			May 20, 1879	do	10,000 00
			May 21, 1879	do	25,000 00
			May 22, 1879	do	25,000 00
			May 23, 1879	do	20,000 00
			May 24, 1879	do	20,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	30,000 00
			May 28, 1879	do	6,000 00
			May 29, 1879	do	20,000 00
			June 2, 1879	do	30,000 00
			June 6, 1879	By transfer to Treasurer United States	54 02
			June 7, 1879	By transfer to assistant treasurer Philadelphia	41,000 00
		407,054 02			407,054 02
	M. H. Naill, Hanover, Pa.:				
May 31, 1879	Subscription	10,067 01	June 6, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
			June 6, 1879	By transfer to Treasurer United States	67 01
		10,067 01			10,067 01
	A. T. Moorhead, Indiana, Pa.:				
May 31, 1879	Subscription	20,123 47	May 29, 1879	By transfer to Treasurer United States	10,056 63
June 7, 1879	do	6 93	June 9, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
			June 19, 1879	By transfer to Treasurer United States	73 77
		20,130 40			20,130 40
	C. W. Carmany, Lebanon, Pa.:				
May 17, 1879	Subscription	5,025 00	May 20, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
May 24, 1879	do	30,171 37	May 22, 1879	do	5,000 00
May 31, 1879	do	45,285 99	May 23, 1879	do	5,000 00
June 7, 1879	do	10,069 02	May 24, 1879	do	10,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	10,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			May 30, 1879	do	5,000 00

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	C. W. Carmany, Lebanon, Pa.—Continued.		May 31, 1879	By transfer to assistant treasurer Philadelphia	$10,000 00
			June 11, 1879	do	10,000 00
			June 11, 1879	By transfer to Treasurer United States	551 38
		$90,551 38			90,551 38
	Alfred S. Sheller, Lewisburg, Pa.:				
May 31, 1879	Subscription	5,031 93	May 31, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
June 7, 1879	do	5,034 01	June 6, 1879	do	5,000 00
			June 7, 1879	By transfer to Treasurer United States	65 94
		10,065 94			10,065 94
	R. W. Patton, Lewistown, Pa.:				
May 31, 1879	Subscription	10,063 50	June 2, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
June 7, 1879	do	10,069 58	June 11, 1879	do	10,000 00
			June 11, 1879	By transfer to Treasurer United States	133 08
		20,133 08			20,133 08
	M. W. McAteer, Loretto, Pa.:				
April 30, 1879	Subscription	90 27	June 23, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 10, 1879	do	50 20	June 30, 1879	By transfer to Treasurer United States	7 57
May 31, 1879	do	80 48			
June 7, 1879	do	80 56			
June 21, 1879	do	706 06			
		1,007 57			1,007 57
	James H. Marshall, Lancaster, Pa.:				
April 12, 1879	Subscription	550 55	Apr. 17, 1879	By transfer to assistant treasurer New York	1,000 00
April 19, 1879	do	571 11	Apr. 26, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
April 30, 1879	do	2,888 18	Apr. 29, 1879	do	1,000 00
May 10, 1879	do	5,019 10	May 1, 1879	do	1,000 00
May 17, 1879	do	23,116 71	May 3, 1879	do	1,000 00
May 24, 1879	do	54,309 71	May 6, 1879	do	1,000 00
May 31, 1879	do	38,241 16	May 8, 1879	do	1,000 00
June 7, 1879	do	10,069 03	May 9, 1879	do	1,000 00
			May 12, 1879	do	1,000 00
			May 14, 1879	do	1,000 00
			May 17, 1879	do	11,000 00
			May 20, 1879	do	11,000 00
			May 21, 1879	do	11,000 00

			May 22, 1879	.....do	11,000 00
			May 23, 1879	.....do	11,000 00
			May 24, 1879	.....do	11,000 00
			May 26, 1879	.....do	10,000 00
			May 27, 1879	.....do	10,000 00
			May 28, 1879	.....do	10,000 00
			May 29, 1879	.....do	8,000 00
			June 2, 1879	.....do	10,000 00
			June 6, 1879	.....do	10,000 00
			June 6, 1879	By transfer to Treasurer United States	765 55
		134,765 55			134,765 55
	J. W. Harris, Lock Haven, Pa.:				
Apr. 19, 1879	Subscription	120 23	Apr. 28, 1879	By transfer to assistant treasurer Philadelphia	4,000 00
Apr. 30, 1879	.....do	7,200 45	Apr. 30, 1879	.....do	1,000 00
May 10, 1879	.....do	26,383 86	May 1, 1879	.....do	2,000 00
May 17, 1879	.....do	5,426 63	May 2, 1879	By transfer to Treasurer United States	7,500 00
May 24, 1879	.....do	10,079 30	May 4, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
May 31, 1879	.....do	10,064 51	May 6, 1879	.....do	1,000 00
June 7, 1879	.....do	6,042 40	May 9, 1879	.....do	3,000 00
			May 10, 1879	.....do	4,000 00
			May 14, 1879	.....do	5,000 00
			May 15, 1879	By transfer to assistant treasurer New York	5,000 00
			May 20, 1879	.....do	4,000 00
			May 23, 1879	.....do	8,000 00
			May 28, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
			May 31, 1879	.....do	6,000 00
			June 2, 1879	.....do	1,000 00
			June 11, 1879	By transfer to Treasurer United States	817 38
			June 12, 1879	By transfer to assistant treasurer Philadelphia	6,000 00
		65,317 38			65,317 38
	E. C. Fordham, Montrose, Pa.:				
May 10, 1879	Subscription	401 72	May 23, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 17, 1879	.....do	361 78	June 14, 1879	By transfer to Treasurer United States	18 21
May 24, 1879	.....do	241 30	June 14, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 31, 1879	.....do	1,006 22	June 22, 1879	.....do	1,000 00
June 7, 1879	.....do	1,007 19			
		3,018 21			3,018 21
	Jane F. Righter, Mauch Chunk, Pa.:				
May 24, 1879	Subscription	30,166 45	May 27, 1879	By transfer to assistant treasurer Philadelphia	10,000 00
May 31, 1879	.....do	40,253 00	May 28, 1879	.....do	20,000 00
June 7, 1879	.....do	10,069 00	May 29, 1879	.....do	10,000 00
			May 30, 1879	.....do	10,000 00
			June 3, 1879	.....do	10,000 00
			June 9, 1879	.....do	20,000 00
			June 11, 1879	By transfer to Treasurer United States	488 45
		80,488 45			80,488 45

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	Miranda Williamson, Media, Pa.:				
May 24, 1879	Subscription	$10,054 98	May 26, 1879	By transfer to assistant treasurer Philadelphia	$10,000 00
May 31, 1879	....do	10,061 02	June 2, 1879	....do	10,000 00
June 7, 1879	....do	5,034 50	June 7, 1879	....do	5,000 00
			June 7, 1879	By transfer to Treasurer United States	150 50
		25,150 50			25,150 50
	J. F. Morris, Meadville, Pa.:				
May 24, 1879	Subscription	20,116 00	May 24, 1879	By transfer to assistant treasurer New York	20,000 00
May 31, 1879	....do	20,124 00	May 28, 1879	....do	20,000 00
			June 14, 1879	By transfer to Treasurer United States	240 00
		40,240 00			40,240 00
	M. J. Rockafellow, Mechanicsburg, Pa.:				
May 31, 1879	Subscription	20,132 82	June 9, 1879	By transfer to assistant treasurer Philadelphia	20,000 00
			June 9, 1879	By transfer to Treasurer United States	132 82
		20,132 82			20,132 82
	W. K. Carver, Newtown, Pa.:				
May 31, 1879	Subscription	4,023 83	May 28, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
June 7, 1879	....do	2,013 88	June 3, 1879	....do	2,000 00
			June 11, 1879	....do	2,000 00
			June 16, 1879	By transfer to Treasurer United States	30 21
			June 19, 1879	....do	7 50
		6,037 71			6,037 71
	M. R. Thompson, Oxford, Pa.:				
June 7, 1879	Subscription	15,107 39	June 11, 1879	By transfer to assistant treasurer Philadelphia	15,000 00
			June 12, 1879	By transfer to Treasurer United States	107 39
		15,107 39			15,107 39
	Tillie Olden, Parker's Landing, Pa.:				
June 7, 1879	Subscription	1,006 90	June 24, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
			June 24, 1879	By transfer to Treasurer United States	4 89
			June 39, 1879	....do	2 01
		1,006 90			1,006 90

	George H. Anderson, Pittsburg, Pa.:				
May 24, 1879	Subscription	170,944 17	May 22, 1879	By transfer to assistant treasurer Philadelphia	100,000 00
May 31, 1879	....do	120,753 30	May 23, 1879	....do	40,000 00
June 7, 1879	....do	30,203 70	May 26, 1879	....do	30,000 00
			May 28, 1879	....do	30,000 00
			May 29, 1879	....do	60,000 00
			June 2, 1879	....do	30,000 00
			June 7, 1879	....do	31,901 17
		321,901 17			321,901 17
	R. W. Crain, Petrolia, Pa.:				
May 24, 1879	Subscription	2,010 58	May 26, 1879	By transfer to assistant treasurer Philadelphia	2,000 00
May 31, 1879	....do	4,025 20	May 31, 1879	....do	2,000 00
			June 9, 1879	....do	2,000 00
			June 10, 1879	By transfer to assistant treasurer New York	35 78
		6,035 78			6,035 78
	H. G. Sickel, Philadelphia, Pa.:				
May 24, 1879	Subscription	85,483 40	May 24, 1879	By transfer to assistant treasurer Philadelphia	35,000 00
May 31, 1879	....do	40,242 75	May 26, 1879	....do	25,000 00
			May 27, 1879	....do	15,000 00
			June 6, 1879	....do	50,726 15
		125,726 15			125 726 15
	John S. Cunningham, Philadelphia, Pa.:				
May 17, 1879	Subscription	65,320 00	May 16, 1879	By transfer to assistant treasurer Philadelphia	20,000 00
May 24, 1879	....do	155,851 00	May 17, 1879	....do	20,000 00
May 31, 1879	....do	15,090 95	May 19, 1879	....do	30,000 00
			May 20, 1879	....do	30,000 00
			May 21, 1879	....do	40,000 00
			May 22, 1879	....do	15,000 00
			May 23, 1879	....do	30,000 00
			May 24, 1879	....do	10,000 00
			May 26, 1879	....do	10,000 00
			May 27, 1879	....do	5,000 00
			June 4, 1879	....do	26,261 95
		236,261 95			236,261 95
	John R. Dobson, Phœnixville, Pa.:				
May 31, 1879	Subscription	20,133 42	June 9, 1879	By transfer to assistant treasurer Philadelphia	20,000 00
			June 9, 1879	By transfer to Treasurer United States	133 42
		20,133 42			20,133 42

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.			Cr.		
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	J. F. Hartranft, Philadelphia, Pa.:				
May 10, 1879	Subscription	$582,302 47	May 5, 1879	By transfer to assistant treasurer Philadelphia	$50,000 00
May 17, 1879	....do	276,302 47	May 6, 1879	....do	120,000 00
May 24, 1879	....do	467,555 62	May 7, 1879	....do	80,000 00
May 31, 1879	....do	50,305 75	May 8, 1879	....do	40,000 00
			May 9, 1879	....do	40,000 00
			May 10, 1879	....do	110,000 00
			May 12, 1879	....do	60,000 00
			May 13, 1879	....do	30,000 00
			May 14, 1879	....do	60,000 00
			May 15, 1879	....do	40,000 00
			May 16, 1879	....do	35,000 00
			May 17, 1879	....do	40,000 00
			May 19, 1879	....do	80,000 00
			May 20, 1879	....do	100,000 00
			May 21, 1879	....do	125,000 00
			May 22, 1879	....do	50,000 00
			May 22, 1879	....do	50,000 00
			May 24, 1879	....do	60,000 00
			May 26, 1879	....do	30,000 00
			May 27, 1879	....do	20,000 00
			June 4, 1879	....do	156,466 31
		1,376,466 31			1,376,466 31
	J. H. Hagerty, Ridgway, Pa.:				
May 10, 1879	Subscription	20 08	May 29, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 17, 1879	....do	592 73	June 13, 1879	By transfer to assistant treasurer New York	2,000 00
May 31, 1879	....do	815 27	June 30, 1879	By transfer to Treasurer United States	19 53
June 7, 1879	....do	1,591 45			
		3,019 53			3,019 53
	Newton Welles, Renovo, Pa.:				
May 24, 1879	Subscription	1,005 60	May 30, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 31, 1879	....do	1,006 69	June 9, 1879	....do	1,000 00
			June 18, 1879	....do	12 29
		2,012 29			2,012 29
	George W. Grant, Reading, Pa.:				
Apr. 30, 1879	Subscription	1,675 08	May 1, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 10, 1879	....do	5,350 27	May 3, 1879	....do	1,000 00
May 17, 1879	....do	9,043 35	May 4, 1879	....do	1,000 00

May 24, 1879	....do	67,375 54	May 7, 1879	....do	1,000 00
May 31, 1879	....do	30,187 50	May 8, 1879	....do	1,000 00
June 7, 1879	....do	10,069 00	May 10, 1879	....do	1,000 00
			May 12, 1879	....do	1,000 00
			May 14, 1879	....do	1,000 00
			May 15, 1879	....do	1,000 00
			May 17, 1879	....do	1,000 00
			May 19, 1879	....do	6,000 00
			May 20, 1879	....do	12,000 00
			May 21, 1879	....do	10,000 00
			May 22, 1879	....do	10,000 00
			May 23, 1879	....do	10,000 00
			May 27, 1879	....do	35,000 00
			May 29, 1879	....do	10,000 00
			June 2, 1879	....do	5,000 00
			June 5, 1879	....do	15,000 00
			June 5, 1879	By transfer to Treasurer United States	700 74
		123,700 74			123,700 74
	James A. Hendrix, Shrewsbury, Pa.:				
May 24, 1879	Subscription	1,005 55	May 26, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
May 31, 1879	....do	2,012 54	May 29, 1879	....do	1,000 00
June 7, 1879	....do	1,006 82	June 2, 1879	....do	1,000 00
			June 11, 1879	....do	1,000 00
			June 14, 1879	By transfer to Treasurer United States	24 91
		4,024 91			4,024 91
	D. S. Gilger, Shamokin, Pa.:				
Apr. 12, 1879	Subscription	170 17	Apr. 30, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
Apr. 19, 1879	....do	290 58	May 6, 1879	....do	1,000 00
Apr. 30, 1879	....do	531 09	May 10, 1879	....do	1,000 00
May 10, 1879	....do	2,459 15	May 16, 1879	....do	1,000 00
May 17, 1879	....do	1,567 80	May 21, 1879	....do	1,000 00
May 24, 1879	....do	1,006 00	May 26, 1879	....do	1,000 00
May 31, 1879	....do	4,025 00	May 28, 1879	....do	1,000 00
			May 30, 1879	....do	1,000 00
			May 31, 1879	....do	1,000 00
			June 6, 1879	....do	1,000 00
			June 7, 1879	By transfer to Treasurer United States	49 79
		10,049 79			10,049 79
	E. Calvin Miller, Springdale, Pa.:				
Apr. 12, 1879	Subscription	20 02	July 17, 1879	By transfer to Treasurer United States	120 96
June 14, 1879	....do	30 24			
July 5, 1879	....do	70 70			
		120 96			120 96

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	H. L. McGuigan, Tamaqua, Pa.:				
Apr. 30, 1879	Subscription	$1,003 04	May 1, 1879	By transfer to assistant treasurer Philadelphia	$1,000 00
May 10, 1879	do	3,011 99	May 7, 1879	do	1,000 00
May 19, 1879	do	4,019 84	May 8, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	6,033 87	May 13, 1879	do	1,000 00
May 31, 1879	do	4,025 33	May 14, 1879	do	1,000 00
			May 15, 1879	do	1,000 00
			May 16, 1879	do	1,000 00
			May 17, 1879	By transfer to assistant treasurer Philadelphia	1,000 00
			May 19, 1879	do	1,000 00
			May 20, 1879	do	1,000 00
			May 21, 1879	do	1,000 00
			May 22, 1879	do	1,000 00
			May 23, 1879	do	1,000 00
			May 24, 1879	do	1,000 00
			May 26, 1879	do	1,000 00
			May 27, 1879	do	1,000 00
			May 28, 1879	do	1,000 00
			June 13, 1879	do	1,000 00
			July 29, 1879	By transfer to Treasurer United States	94 07
		18,094 07			18,094 07
	George A. Mercer, West Chester, Pa.:				
May 17, 1879	Subscription	30,150 69	May 17, 1879	By transfer to assistant treasurer Philadelphia	15,000 00
May 24, 1879	do	49,280 50	May 20, 1879	do	10,000 00
May 31, 1879	do	21,133 70	May 21, 1879	do	10,000 00
June 7, 1879	do	15,104 00	May 22, 1879	do	10,000 00
			May 23, 1879	do	15,000 00
			May 24, 1879	do	5,000 00
			May 26, 1879	do	5,000 00
			May 27, 1879	do	5,000 00
			May 29, 1879	do	10,000 00
			June 2, 1879	do	15,000 00
			June 7, 1879	do	15,000 00
			June 11, 1879	By transfer to Treasurer United States	668 89
		115,668 89			115,668 89
	George W. Merrick, Wellsborough, Pa.:				
May 24, 1879	Subscription	13,475 82	May 28, 1879	By transfer to assistant treasurer Philadelphia	15,000 00
May 31, 1879	do	10,042 24	June 11, 1879	do	15,000 00
June 7, 1879	do	11,702 11	June 16, 1879	By transfer to Treasurer United States	220 17
			June 18, 1879	By transfer to assistant treasurer Philadelphia	5,000 00
		35,220 17			35,220 17

	Jonathan Jessop, York, Pa.:				
May 24, 1879	Subscription	30,171 57	May 22, 1879	By transfer to assistant treasurer Baltimore	10,000 00
May 31, 1879	....do	6,037 80	May 24, 1879	....do	10,000 00
June 7, 1879	....do	10,069 01	May 27, 1879	....do	10,000 00
			June 2, 1879	....do	6,000 00
			June 9, 1879	....do	10,000 00
			June 9, 1879	By transfer to Treasurer United States	278 38
		46,278 38			46,278 38
	Thomas Coggeshall, Newport, R. I.:				
Apr. 5, 1879	Subscription	330 16	Apr. 12, 1879	By transfer to assistant treasurer New York	2,000 00
Apr. 12, 1879	....do	2,712 07	Apr. 17, 1879	....do	1,000 00
Apr. 19, 1879	....do	7,113 11	Apr. 23, 1879	....do	5,000 00
Apr. 30, 1879	....do	32,149 82	Apr. 24, 1879	....do	2,000 00
May 10, 1879	....do	32,928 70	Apr. 28, 1879	....do	15,000 00
May 17, 1879	....do	29,843 07	May 1, 1879	....do	2,000 00
May 24, 1879	....do	48,560 66	May 3, 1879	....do	10,000 00
May 31, 1879	....do	80,508 00	May 5, 1879	....do	5,000 00
June 7, 1879	....do	20,140 00	May 8, 1879	....do	8,000 00
June 21, 1879	....do	10 05	May 9, 1879	....do	7,000 00
			May 12, 1879	....do	3,000 00
			May 13, 1879	....do	15,000 00
			May 15, 1879	....do	8,000 00
			May 17, 1879	....do	7,000 00
			May 19, 1879	....do	5,000 00
			May 20, 1879	....do	7,000 00
			May 21, 1879	....do	5,000 00
			May 22, 1879	....do	5,000 00
			May 23, 1879	....do	8,000 00
			May 24, 1879	....do	18,000 00
			May 27, 1879	....do	15,000 00
			May 28, 1879	....do	20,000 00
			May 29, 1879	....do	20,000 00
			May 30, 1879	....do	20,000 00
			June 3, 1879	....do	20,000 00
			June 9, 1879	By transfer to Treasurer United States	285 59
			June 10, 1879	By transfer to assistant treasurer New York	21,000 00
			June 16, 1879	By transfer to Treasurer United States	10 05
		254,295 64			254,295 64
	Eugene B. Pendleton, Westerly, R. I.:				
May 24, 1879	Subscription	3,017 31	May 27, 1879	By transfer to assistant treasurer New York	3,000 00
May 31, 1879	....do	3,019 02	June 3, 1879	....do	3,000 00
June 7, 1879	....do	3,020 73	June 9, 1879	By transfer to Treasurer United States	57 06
			June 10, 1879	By transfer to assistant treasurer New York	3,000 00
		9,057 06			9,057 06

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Cr. Date.	Character of credits.	Amount.
	B. A. Bosemon, Charleston, S. C.:				
May 24, 1879	Subscription	$6,034 21	May 24, 1879	By transfer to assistant treasurer New Orleans	$3,000 00
May 31, 1879	do	9,058 48	May 28, 1879	do	3,000 00
June 7, 1879	do	3,021 00	May 29, 1879	do	3,000 00
			May 30, 1879	do	3,000 00
			May 31, 1879	do	3,000 00
			June 7, 1879	do	3,000 00
			June 7, 1879	By transfer to Treasurer United States	113 69
		18,113 69			18,113 69
	R. P. Tendick, Columbus, Tex.:				
May 10, 1879	Subscription	3,011 47	May 15, 1879	By transfer to assistant treasurer New Orleans	3,000 00
May 17, 1879	do	5,024 51	May 27, 1879	do	5,000 00
May 31, 1879	do	10,063 38	May 31, 1879	do	6,000 00
June 7, 1879	do	8,055 64	June 4, 1879	do	6,000 00
			June 18, 1879	do	6,000 00
			June 19, 1879	do	155 00
		26,155 00			26,155 00
	Joseph Richardson, Houston, Tex.:				
May 24, 1879	Subscription	1,005 69	June 2, 1879	By transfer to assistant treasurer New Orleans	1,000 00
June 7, 1879	do	2,014 05	June 4, 1879	do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	19 49
			June 16, 1879	By transfer to assistant treasurer New Orleans	1,000 00
			July 7, 1879	By transfer to Treasurer United States	25
		3,019 74			3,019 74
	A. Meerschiedt, La Grange, Tex.:				
Apr. 30, 1879	Subscription	1,002 42	May 10, 1879	By transfer to assistant treasurer New Orleans	1,000 00
May 17, 1879	do	432 03	July 14, 1879	By transfer to Treasurer United States	35 23
May 24, 1879	do	170 95	Aug. 18, 1879	By transfer to assistant treasurer New Orleans	5,000 00
May 31, 1879	do	2,616 90			
June 7, 1879	do	1,188 08			
June 14, 1879	do	624 85			
		6,035 23			6,035 23
	A. F. Hunt, Tyler, Tex.:				
May 10, 1870	Subscription	130 43	June 16, 1879	By transfer to assistant treasurer New Orleans	1,000 00

May 31, 1879	.....do	221 42	June 16, 1879	By transfer to Treasurer United States	6 47
June 7, 1879	.....do	654 62			
		1,006 47			1,006 47
	William Billings, Victoria, Tex.:				
May 31, 1879	Subscription	1,006 74	June 20, 1879	By transfer to assistant treasurer New Orleans	1,000 00
			June 20, 1879	.....do	6 74
		1,006 74			1,006 74
	John Clinton, Brownsville, Tenn.:				
May 10, 1879	Subscription	2,007 41	May 12, 1879	By transfer to assistant treasurer New York	2,000 00
May 17, 1879	.....do	2,009 20	May 20, 1879	.....do	2,000 00
May 24, 1879	.....do	2,011 12	May 27, 1879	.....do	2,000 00
May 31, 1879	.....do	12,076 16	May 30, 1879	.....do	4,000 00
June 7, 1879	.....do	6,041 72	June 2, 1879	By transfer to assistant treasurer New Orleans	4,000 00
			June 17, 1879	By transfer to assistant treasurer New York	10,000 00
			June 24, 1879	By transfer to assistant treasurer Cincinnati	145 61
		24,145 61			24,145 61
	James Parks, Ducktown, Tenn.:				
May 17, 1879	Subscription	703 32	June 18, 1879	By transfer to Treasurer United States	1,407 00
May 24, 1879	.....do	301 71	July 21, 1879	.....do	606 11
May 31, 1879	.....do	402 44	July 28, 1879	.....do	30
June 30, 1879	.....do	504 89			
July 5, 1879	.....do	101 05			
		2,013 41			2,013 41
	J. P. Woolfolk, Jackson, Tenn.:				
May 31, 1879	Subscription	1,006 34	June 4, 1879	By transfer to assistant treasurer New York	1,000 00
June 7, 1879	.....do	1,007 22	June 14, 1879	.....do	1,000 00
			June 18, 1879	By transfer to Treasurer United States	13 56
		2,013 56			2,013 56
	John D. Wilson, Murfreesborough, Tenn.:				
Apr. 12, 1879	Subscription	200 17	May 12, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	.....do	300 53	May 21, 1879	.....do	1,000 00
Apr. 30, 1879	.....do	140 37	May 27, 1879	.....do	2,000 00
May 10, 1879	.....do	301 44	May 31, 1879	.....do	1,000 00
May 17, 1879	.....do	1,466 69	June 3, 1879	.....do	2,000 00
May 24, 1879	.....do	1,206 64	June 14, 1879	.....do	2,000 00
May 31, 1879	.....do	3,361 10	June 14, 1879	By transfer to Treasurer United States	50 74
June 7, 1879	.....do	2,013 80			
		9,050 74			9,050 74

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr. Amount.
	A. A. Warfield, Alexandria, Va.:				
May 10, 1879	Subscription	$17,874 22	May 7, 1879	By transfer to Treasurer United States	$2,000 00
May 17, 1879	do	52,548 23	May 8, 1879	do	2,000 00
May 24, 1879	do	85,854 80	May 9, 1879	do	5,900 00
May 31, 1879	do	50,329 11	May 10, 1879	do	1,100 00
			May 12, 1879	do	8,620 00
			May 13, 1879	do	10,000 00
			May 14, 1879	do	6,000 00
			May 15, 1879	do	7,000 00
			May 16, 1879	do	9,000 00
			May 17, 1879	do	9,510 00
			May 19, 1879	do	10,000 00
			May 20, 1879	do	17,800 00
			May 21, 1879	do	12,000 00
			May 22, 1879	do	15,300 00
			May 23, 1879	do	14,980 00
			May 24, 1879	do	15,000 00
			May 26, 1879	do	15,100 00
			May 27, 1879	do	15,100 00
			May 28, 1879	do	15,100 00
			May 29, 1879	do	4,900 00
			May 31, 1879	do	3,163 00
			June 5, 1879	do	7,033 36
		206,606 36			206,606 36
	Lewis McKenzie, Alexandria, Va.:				
May 24, 1879	Subscription	30,170 97	May 23, 1879	By transfer to Treasurer United States	10,055 89
May 31, 1879	do	35,215 90	May 24, 1879	do	10,056 99
			May 26, 1879	do	10,058 09
			May 27, 1879	do	15,090 97
			May 28, 1879	do	5,030 68
			May 29, 1879	do	10,062 47
			May 31, 1879	do	5,031 78
		65,386 87			65,386 87
	M. H. S. Long, Charlottesville, Va.:				
June 14, 1879	Subscription	2,013 80	June 6, 1879	By transfer to Treasurer United States	2,000 00
			June 13, 1879	do	13 80
		2,013 80			2,013 80
	A. M. Wheeler, Danville, Va.:				
June 7, 1879	Subscription	5,187 04	June 4, 1879	By transfer to Treasurer United States	5,000 00

June 14, 1879	do	201 52	June 14, 1879	do	4,000 00
June 21, 1879	do	30 25	June 19, 1879	do	1,000 00
May 14, 1879	do	794 38	July 18, 1879	do	67 37
May 21, 1879	do	3,854 18			
		10,067 37			10,067 37
	E. J. Birch, Falls Church, Va.:				
May 17, 1879	Subscription	80 40	May 20, 1879	By transfer to Treasurer United States	2,010 76
May 24, 1879	do	12,993 14	May 22, 1879	do	3,016 80
May 31, 1879	do	10,061 70	May 23, 1879	do	3,017 08
			May 24, 1879	do	4,023 10
			May 26, 1879	do	5,029 80
			May 27, 1879	do	1,006 00
			May 28, 1879	do	2,012 40
			May 29, 1879	do	2,012 80
			June 2, 1879	do	1,006 50
		23,135 24			23,135 24
	S. G. Atkins, Gordonsville, Va.:				
Apr. 12, 1879	Subscription	20 03	May 9, 1879	By transfer to Treasurer United States	1,000 00
Apr. 30, 1879	do	40 11	May 19, 1879	do	1,000 00
May 10, 1879	do	943 62	May 24, 1879	do	1,000 00
May 17, 1879	do	1,004 98	May 29, 1879	do	1,000 00
May 24, 1879	do	1,005 00	June 4, 1879	do	1,000 00
May 31, 1879	do	1,207 32	June 20, 1879	do	1,000 00
June 7, 1879	do	805 28	July 26, 1879	do	34 54
June 14, 1879	do	101 00			
June 21, 1879	do	907 20			
		6,034 54			6,034 54
	George V. Case, Liberty, Va.:				
Apr. 30, 1879	Subscription	812 43	May 12, 1879	By transfer to Treasurer United States	1,000 00
May 10, 1879	do	100 42	June 3, 1879	do	1,000 00
May 17, 1879	do	100 46	June 21, 1879	do	1,017 25
May 24, 1879	do	211 17	June 23, 1879	do	10
May 31, 1879	do	784 94			
June 7, 1879	do	100 74			
June 14, 1879	do	907 19			
		3,017 35			3,017 35
	J. F. Wilson, Lynchburg, Va.:				
May 31, 1879	Subscription	29,665 81	May 30, 1879	By transfer to Treasurer United States	15,000 00
June 7, 1879	do	523 74	June 14, 1879	do	15,000 00
			July 25, 1879	do	189 55
		30,189 55			30,189 55

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

DR.					CR.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	J. F. Rinker, Leesburg, Va.:				
May 24, 1879	Subscription	$1,005 53	May 23, 1879	By transfer to Treasurer United States	$1,000 00
May 31, 1879	do	1,006 00	May 31, 1879	do	1,000 00
June 7, 1879	do	1,007 00	June 13, 1879	do	1,000 00
			June 23, 1879	do	18 53
		3,018 53			3,018 53
	L. A. Pine, Manassas, Va.:				
May 24, 1879	Subscription	20,116 77	May 24, 1879	By transfer to Treasurer United States	10,056 77
May 31, 1879	do	1,006 30	May 27, 1879	do	10,000 00
June 7, 1879	do	1,006 80	May 31, 1879	do	1,000 00
			June 8, 1873	do	1,073 10
		22,129 87			22,129 87
	Otis H. Russell, Richmond, Va.:				
Apr. 5, 1879	Subscription	40 04	Apr. 18, 1879	By transfer to Treasurer United States	1,000 00
Apr. 12, 1879	do	680 69	Apr. 25, 1879	do	1,000 00
Apr. 19, 1879	do	781 40	May 1, 1879	do	7,000 00
Apr. 30, 1879	do	10,531 30	May 2, 1879	do	3,000 00
May 10, 1879	do	19,072 66	May 7, 1879	do	9,000 00
May 17, 1879	do	17,885 23	May 10, 1879	do	8,000 00
May 24, 1879	do	18,301 34	May 13, 1879	do	2,000 00
May 31, 1879	do	15,094 38	May 15, 1879	do	8,000 00
June 7, 1879	do	5,034 62	May 16, 1879	do	8,000 00
			May 20, 1879	do	10,000 00
			May 26, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			June 2, 1879	do	5,000 00
			June 9, 1879	do	5,000 00
			June 10, 1879	do	421 76
		87,421 76			87,421 76
	Samuel R. Atwell, Winchester, Va.:				
Apr. 5, 1879	Subscription	410 00	Apr. 10, 1879	By transfer to Treasurer United States	1,000 00
Apr. 12, 1879	do	800 85	Apr. 28, 1879	do	1,000 00
Apr. 30, 1879	do	2,800 52	May 1, 1879	do	1,000 00
May 10, 1879	do	7,057 34	May 2, 1879	do	2,000 00
May 17, 1879	do	7,114 48	May 6, 1879	do	1,000 00
May 24, 1879	do	9,945 41	May 7, 1879	do	1,000 00
May 31, 1879	do	8,051 11	May 9, 1879	do	2,000 00

June 7, 1879	....do	4,027 56	May 12, 1879	....do	2,000 00
			May 14, 1879	....do	2,000 00
			May 17, 1879	....do	4,000 00
			May 21, 1879	....do	4,000 00
			May 23, 1879	....do	4,000 00
			May 28, 1879	....do	4,000 00
			May 29, 1879	....do	4,000 00
			June 2, 1879	....do	4,000 00
			June 6, 1879	....do	4,207 27
		41,207 27			41,207 27
	B. J. Derby, Burlington, Vt.:				
May 24, 1879	Subscription	20,114 58	May 27, 1879	By transfer to assistant treasurer New York	10,000 00
May 31, 1879	....do	20,128 99	May 29, 1879	By transfer to assistant treasurer Boston	10,000 00
June 7, 1879	....do	5,035 00	June 3, 1879	....do	20,000 00
			June 11, 1879	By transfer to assistant treasurer New York	5,000 00
			June 11, 1879	By transfer to Treasurer United States	278 57
		45,278 57			45,278 57
	T. J. Tiffany, Burlington, Vt.:				
May 24, 1879	Subscription	5,974 32	May 24, 1879	By transfer to assistant treasurer New York	3,000 00
May 31, 1879	....do	3,079 76	May 31, 1879	By transfer to assistant treasurer Boston	3,000 00
June 7, 1879	....do	3,020 71	June 3, 1879	....do	3,000 00
			June 9, 1879	....do	3,000 00
			June 9, 1879	By transfer to Treasurer United States	74 79
		12,074 79			12,074 79
	W. A. Perry, Barre, Vt.:				
May 31, 1879	Subscription	1,006 00	June 5, 1879	By transfer to assistant treasurer Boston	1,000 00
June 7, 1879	....do	1,007 30	June 16, 1879	....do	1,000 00
			June 16, 1879	By transfer to Treasurer United States	13 30
		2,013 30			2,013 30
	William Fisher, Bethel, Vt.:				
May 31, 1879	Subscription	5,031 60	June 4, 1879	By transfer to assistant treasurer Boston	4,090 00
June 7, 1879	....do	4,028 81	June 18, 1879	By transfer to Treasurer United States	60 42
			June 19, 1879	By transfer to assistant treasurer Boston	5,000 00
		9,060 42			9,060 42
	Charles S. Dana, Montpelier, Vt.:				
May 17, 1879	Subscription	11,720 62	May 24, 1879	By transfer to assistant treasurer Boston	12,000 00
May 24, 1879	....do	100,903 81	May 26, 1879	....do	20,000 00
May 31, 1879	....do	35,227 00	May 29, 1879	By transfer to assistant treasurer New York	20,000 00
June 7, 1879	....do	10,072 00	May 31, 1879	By transfer to assistant treasurer Boston	50,000 00
			June 5, 1879	....do	20,000 00
			June 12, 1879	....do	25,000 00
			June 14, 1879	....do	10,923 43
		157,923 43			157,923 43

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr.					Cr.
Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount.
	C. M. Colvin, North Bennington, Vt.:				
May 24, 1879	Subscription	$10,058 35	May 31, 1879	By transfer to assistant treasurer Boston	$10,000 00
May 31, 1879	do	10,065 00	June 17, 1879	do	10,000 00
			June 18, 1879	By transfer to Treasurer United States	123 35
		20,123 35			20,123 35
	J. H. Orcutt, Northfield, Vt.:				
May 31, 1879	Subscription	2,012 46	June 11, 1879	By transfer to assistant treasurer Boston	2,000 00
			June 11, 1879	By transfer to Treasurer United States	12 46
		2,012 46			2,012 46
	Albert H. Tuttle, Rutland, Vt.:				
June 7, 1879	Subscription	10,070 14	June 11, 1879	By transfer to assistant treasurer Boston	10,000 00
			June 11, 1879	By transfer to Treasurer United States	70 14
		10,070 14			10,070 14
	J. P. Jewett, Swanton, Vt.:				
Apr. 30, 1879	Subscription	551 70	May 10, 1879	By transfer to assistant treasurer New York	1,000 00
May 10, 1879	do	451 72	May 22, 1879	do	1,000 00
May 17, 1879	do	1,004 93	May 28, 1879	By transfer to assistant treasurer Boston	1,000 00
May 24, 1879	do	402 34	June 2, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	1,610 47	June 18, 1879	By transfer to assistant treasurer Boston	1,000 00
June 7, 1879	do	1,007 04	June 18, 1879	By transfer to Treasurer United States	28 20
		5,028 20			5,028 20
	Charles P. Carpenter, Saint Johnsbury, Vt.:				
May 10, 1879	Subscription	2,008 55	May 20, 1879	By transfer to assistant treasurer New York	2,000 00
May 24, 1879	do	58,341 49	May 22, 1879	do	2,000 00
May 31, 1879	do	40,260 82	May 23, 1879	do	2,000 00
June 7, 1879	do	10,069 04	May 24, 1879	do	2,000 00
			May 26, 1879	do	10,000 00
			May 27, 1879	do	10,000 00
			May 28, 1879	do	10,000 00
			May 29, 1879	do	10,000 00
			May 30, 1879	do	12,000 00
			May 31, 1879	do	10,000 00
			June 2, 1879	do	10,000 00
			June 11, 1879	do	30,000 00
			June 11, 1879	By transfer to treasurer United States	679 90
		110,679 90			110,679 90

	James Hutchinson, jr., West Randolph, Vt.:				
May 24, 1879	Subscription	3,017 15	May 5, 1879	By transfer to assistant treasurer Boston	3,000 00
May 31, 1879	do	3,019 41	May 29, 1879	do	3,000 00
June 7, 1879	do	3,021 69	June 14, 1879	do	3,000 00
			June 24, 1879	By transfer to Treasurer United States	58 25
		9,058 25			9,058 25
	G. J. Thomas, Berlin, Wis.:				
May 17, 1879	Subscription	201 02	May 31, 1879	By transfer to assistant treasurer New York	1,000 00
May 24, 1879	do	804 51	June 3, 1879	do	1,000 00
June 7, 1879	do	2,013 90	June 17, 1879	By transfer to assistant treasurer Chicago	1,000 00
			June 20, 1879	By transfer to Treasurer United States	19 43
		3,019 43			3,019 43
	M. Mulville, Delavan, Wis.:				
Apr. 12, 1879	Subscription	110 11	Apr. 28, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	1,955 45	May 8, 1879	do	1,000 00
May 10, 1879	do	2,037 41	May 9, 1879	do	1,000 00
May 17, 1879	do	100 46	May 15, 1879	do	1,000 00
May 24, 1879	do	1,820 50	May 31, 1879	do	2,000 00
May 31, 1879	do	1,761 58	June 2, 1879	do	2,000 00
June 7, 1879	do	2,265 93	June 19, 1879	do	2,000 00
			June 19, 1879	By transfer to Treasurer United States	51 44
		10,051 44			10,051 44
	Vincent W. Bayles, Eau Claire, Wis.:				
Apr. 12, 1879	Subscription	1,231 43	Apr. 19, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	60 12	May 26, 1879	do	1,000 00
Apr. 30, 1879	do	90 27	June 9, 1879	do	2,000 00
May 10, 1879	do	10 04	June 10, 1879	do	2,000 00
May 17, 1879	do	502 50	June 10, 1879	By transfer to Treasurer United States	30 44
May 24, 1879	do	100 53			
May 31, 1879	do	4,035 55			
		6,030 44			6,030 44
	Thomas J. Shear, Hillsborough, Wis.:				
May 24, 1879	Subscription	834 28	May 27, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	do	955 70	June 1, 1879	do	1,000 00
June 7, 1879	do	201 40	July 14, 1879	By transfer to assistant treasurer Chicago	4,000 00
June 14, 1879	do	1,108 80	July 25, 1879	By transfer to Treasurer United States	3,854 17
June 21, 1879	do	706 20			
June 30, 1879	do	1,372 64			
July 31, 1879	do	4,675 05			
		9,854 17			9,854 17

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Amount. Cr.
	H. A. Patterson, Janesville, Wis.:				
May 31, 1879	Subscription	$1,006 25	June 4, 1879	By transfer to assistant treasurer New York	$1,000 00
June 7, 1879	do	1,007 02	June 13, 1879	By transfer to assistant treasurer Chicago	1,000 00
			June 30, 1879	By transfer to Treasurer United States	13 27
		2,013 27			2,013 27
	W. K. Smith, Kingston, Wis.:				
May 31, 1879	Subscription	321 97	June 20, 1879	By transfer to assistant treasurer Chicago	1,000 00
June 7, 1879	do	684 71	June 23, 1879	By transfer to Treasurer United States	6 68
		1,006 68			1,006 68
	Charles Seymour, La Crosse, Wis.:				
Apr. 12, 1879	Subscription	500 38	Apr. 29, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	do	1,504 17	May 6, 1879	do	1,000 00
May 10, 1879	do	1,003 87	May 13, 1879	do	1,000 00
May 17, 1879	do	1,004 60	May 20, 1879	do	1,000 00
May 24, 1879	do	1,005 47	May 27, 1879	do	1,000 00
May 31, 1879	do	2,012 71	May 31, 1879	do	1,000 00
June 7, 1879	do	1,006 91	June 3, 1879	do	1,000 00
			June 10, 1879	do	1,000 00
			June 12, 1879	By transfer to Treasurer United States	38 11
		8,038 11			8,038 11
	M. W. Briggs, Mauston, Wis.:				
Apr. 12, 1879	Subscription	100 10	May 3, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 19, 1879	do	380 76	May 23, 1879	do	2,000 00
Apr. 30, 1879	do	902 46	June 16, 1879	do	10,000 00
May 10, 1879	do	321 22	June 21, 1879	By transfer to Treasurer United States	77 17
May 17, 1879	do	1,758 73			
May 24, 1879	do	2,563 70			
May 31, 1879	do	2,012 75			
June 7, 1879	do	3,021 37			
June 14, 1879	do	2,016 08			
		13,077 17			13,077 17
	Paul M. Green, Milton, Wis.:				
Apr. 30, 1879	Subscription	391 17	May 10, 1879	By transfer to Treasurer United States	391 17
May 10, 1879	do	371 35	June 21, 1879	By transfer to assistant treasurer New York	608 83
May 17, 1879	do	241 20	June 27, 1879	By transfer to assistant treasurer Chicago	1,000 00

June 21, 1879	.....do	1,009 05	July 6, 1879	By transfer to Treasurer United States	12 77
		2,012 77			2,012 77
	Charles W. Keyes, Madison, Wis.:				
June 7, 1879	Subscription	50,350 00	June 13, 1879	By transfer to assistant treasurer Chicago	50,000 00
			June 13, 1879	By transfer to Treasurer United States	350 00
		50,350 00			50,350 00
	H. C. Payne, Milwaukee, Wis.:				
May 17, 1879	Subscription	13,389 24	May 23, 1879	By transfer to assistant treasurer New York	25,000 00
May 24, 1879	.....do	57,007 60	May 24, 1879	.....do	20,000 00
May 31, 1879	.....do	100,646 61	May 26, 1879	.....do	20,000 00
June 7, 1879	.....do	40,278 02	May 27, 1879	.....do	25,000 00
			May 28, 1879	.....do	20,000 00
			May 29, 1879	.....do	20,000 00
			May 31, 1879	.....do	40,000 00
			June 2, 1879	.....do	20,000 00
			June 12, 1879	By transfer to Treasurer United States	21,000 00
			June 12, 1879	.....do	321 47
		211,321 47			211,321 47
	Henry Schildt, Mayz Manie, Wis.:				
Apr. 19, 1879	Subscription	1,001 43	Apr. 19, 1879	By transfer to assistant treasurer New York	1,000 00
Apr. 30, 1879	.....do	1,002 96	May 5, 1879	.....do	1,000 00
May 10, 1879	.....do	1,003 92	May 13, 1879	.....do	1,000 00
May 17, 1879	.....do	502 30	May 30, 1879	.....do	1,000 00
May 24, 1879	.....do	502 79	June 5, 1879	.....do	1,000 00
May 31, 1879	.....do	483 12	June 27, 1879	By transfer to assistant treasurer Chicago	1,000 00
June 7, 1879	.....do	775 42	June 28, 1879	By transfer to Treasurer United States	28 08
June 14, 1879	.....do	413 12			
June 21, 1879	.....do	342 91			
June 30, 1879	.....do	11			
		6,028 08			6,028 08
	Philip Allen, jr., Mineral Point, Wis.:				
May 31, 1879	Subscription	4,024 00	June 14, 1879	By transfer to assistant treasurer New York	4,000 00
			June 14, 1879	By transfer to Treasurer United States	24 00
		4,024 00			4,024 00
	E. Whaley, Prairie du Chien, Wis.:				
May 24, 1879	Subscription	1,005 71	May 31, 1879	By transfer to assistant treasurer New York	1,000 00
May 31, 1879	.....do	503 35	June 5, 1879	.....do	1,000 00
June 7, 1879	.....do	1,510 69	June 16, 1879	By transfer to assistant treasurer Chicago	1,000 00
			July 2, 1879	By transfer to Treasurer United States	16 00
			July 12, 1879	.....do	3 75
		3,019 75			3,019 75

Refunding certificates authorized by act of February 26, 1879, issued on certificates of deposit, &c.—Continued.

Dr. Week ending—	Subscriber.	Amount.	Date.	Character of credits.	Cr Amount.
	Henry Wright, Racine, Wis.:				
May 31, 1879	Subscription	$10,065 41	June 9, 1879	By transfer to assistant treasurer New York	$10,000 00
			June 9, 1879	By transfer to Treasurer United States	65 41
		10,065 41			10,065 41
	J. L. Marsh, Sheboygan, Wis.:				
May 31, 1879	Subscription	20,122 74	May 30, 1879	By transfer to assistant treasurer New York	10,000 00
			June 12, 1879	....do	10,000 00
			June 12, 1879	By transfer to Treasurer United States	122 74
		20,122 74			20,122 74
	H. S. Beardsley, Tomah, Wis.:				
May 31, 1879	Subscription	3,018 41	June 5, 1879	By transfer to assistant treasurer New York	3,000 00
June 7, 1879	.....do	3,022 02	June 17, 1879	By transfer to assistant treasurer Chicago	3,000 00
			June 17, 1879	By transfer to Treasurer United States	40 43
		6,040 43			6,040 43
	J. F. Moak, Watertown, Wis.:				
May 10, 1879	Subscription	70 31	May 21, 1879	By transfer to assistant treasurer New York	1,000 00
May 17, 1879	.....do	1,276 09	May 29, 1879	.....do	2,000 00
May 24, 1879	.....do	1,669 21	May 30, 1879	.....do	1,000 00
May 31, 1879	.....do	3,019 57	June 3, 1879	.....do	2,000 00
June 7, 1879	.....do	2,014 02	June 14, 1879	By transfer to assistant treasurer Chicago	2,000 00
June 21, 1879	.....do	05	June 16, 1879	By transfer to Treasurer United States	49 20
			June 21, 1879	.....do	05
		8,049 25			8,049 25
	Thomas E. Matteson, Wonewoc, Wis.:				
Apr. 12, 1879	Subscription	500 57	June 5, 1879	By transfer to assistant treasurer New York	700 00
Apr. 30, 1879	.....do	110 32	July 21, 1879	By transfer to Treasurer United States	71 89
May 10, 1879	.....do	90 34			
June 30, 1879	.....do	70 66			
		771 89			771 89
	L. W. Smith, Burning Springs, W. Va.:				
June 7, 1879	Subscription	1,007 10	June 12, 1879	By transfer to Treasurer United States	1,007 10

	Alvaro F. Gibbens, Kanawha, W. Va.				
June 7, 1879	Subscription	5,035 50	June 9, 1879	By transfer to Treasurer United States	35 50
			June 10, 1879	....do	1,000 00
			June 11, 1879	....do	4,000 00
		5,035 50			5,035 50
	Charles E. Ellis, Newburg, W. Va.:				
June 7, 1879	Subscription	2,538 10	June 12, 1879	By transfer to Treasurer United States	3,000 00
June 14, 1879	....do	483 68	June 20, 1879	....do	21 78
		3,021 78			3,021 78
	C. F. Scott, Parkersburg, W. Va.:				
May 10, 1879	Subscription	9,128 57	May 7, 1879	By transfer to Treasurer United States	5,000 00
May 17, 1879	....do	9,658 08	May 14, 1879	....do	5,000 00
May 24, 1879	....do	11,365 02	May 17, 1879	....do	5,000 00
May 31, 1879	....do	15,097 00	May 19, 1879	....do	5,000 00
June 7, 1879	....do	5,036 00	May 23, 1879	....do	5,000 00
			May 24, 1879	....do	5,000 00
			May 26, 1879	....do	5,000 09
			May 28, 1879	....do	5,000 00
			May 31, 1879	....do	5,000 00
			June 16, 1879	....do	5,000 00
			June 21, 1879	....do	284 67
		50,284 67			50,284 67
	Hugh Sterling, Wheeling, W. Va.:				
May 24, 1879	Subscription	30,169 44	May 26, 1879	By transfer to Treasurer United States	30,000 00
May 31, 1879	....do	20,122 01	June 3, 1879	....do	20,000 00
June 7, 1879	....do	5,035 27	June 17, 1879	....do	5,326 72
		55,326 72			55,326 72

Commissions paid on subscriptions to United States ten-dollar refunding certificates to October 31, 1879.

When paid.	Name.	Subscription.	Commission.
1879.			
Apr. 14	John DeKoven, cashier	$1,000	$1 25
14	First National Bank, Chattanooga, Tenn	4,990	6 24
14	Flour City National Bank, Rochester, N. Y	5,000	6 25
14	First National Bank, York, Pa	1,000	1 25
14	H. C. Daily	1,000	1 25
14	James D. Sturges, cashier	1,000	1 25
14	First National Bank, New Berlin, N. Y	5,000	6 25
14	Alton National Bank, Alton, Ill	6,000	7 50
14	First National Bank, Quincy, Ill	10,000	12 50
14	German National Bank, Evansville, Ind	10,000	12 50
14	C. H. Blanchard	1,000	1 25
14	Merchants' National Bank, Burlington, Iowa	1,000	1 25
14	Iowa National Bank, Des Moines, Iowa	1,000	1 25
14	Commercial National Bank, Dubuque, Iowa	6,000	7 50
14	First National Bank, Canton, Ohio	1,000	1 25
14	First National Bank, Youngstown, Ohio	1,000	1 25
14	Traders' Bank, Chicago, Ill	1,000	1 25
14	National Bank of Commerce, New York	10,000	12 50
14	First National Bank, Yonkers, N. Y	1,000	1 25
14	Centennial National Bank, Philadelphia, Pa	2,000	2 50
14	National Bank of West Virginia, Wheeling, W. Va	1,200	1 50
14	Union National Bank, Streator, Ill	1,000	1 25
14	City National Bank, Worcester, Mass	1,000	1 25
14	C. W. Potwin & Co	1,000	1 25
14	National Branch Bank, Madison, Ind	5,000	6 25
14	Henderson National Bank, Henderson, Ky	5,000	6 25
15	Merchants' National Bank, Burlington, Vt	10,000	12 50
15	Montgomery National Bank, Norristown, Pa	2,000	2 50
15	Maverick National Bank, Boston, Mass	10,000	12 50
15	do	5,000	6 25
15	do	5,000	6 25
15	do	100,000	125 00
15	Henry C. James	3,000	3 75
15	First National Bank, Chicago, Ill	1,000	1 25
15	First National Bank, Cincinnati, Ohio	20,000	25 00
22	Berkshire National Bank, North Adams, Mass	8,000	10 00
22	William Johnston & Co	5,000	6 25
22	First National Bank, Chicago, Ill	2,000	2 50
22	State National Bank, Memphis, Tenn	1,000	1 25
22	Merchants' Savings, Loan and Trust Company, Chicago, Ill	2,000	2 50
22	City National Bank, Selma, Ala	50,000	62 50
22	Continental Bank, Saint Louis, Mo	1,000	1 25
22	M. W. McAlarney	3,000	3 75
22	First National Bank, Springfield, Ohio	1,000	1 25
22	Israel Howell	3,000	3 75
22	National Metropolitan Bank, Washington, D. C	1,000	1 25
22	City National Bank, Plainfield, N. J	2,000	2 50
22	Israel Howell	2,000	2 50
22	William Hetherington & Co	1,000	1 25
22	First National Bank, Belleville, Ill	1,000	1 25
22	Charles H. Houghton	1,000	1 25
22	Charles R. Hoff, cashier	1,000	1 25
22	Samuel Bivener	1,000	1 25
22	First National Bank, Zanesville, Ohio	1,000	1 25
22	Centennial National Bank, Philadelphia, Pa	2,000	2 50
22	Slater National Bank, Pawtucket, R. I	1,000	1 25
22	Commercial National Bank, Dububue, Iowa	1,000	1 25
22	First National Bank, Belleville, Ill	1,000	1 25
22	Daniel T. Hunt	1,000	1 25
22	First National Bank, Indianapolis, Ind	1,000	1 25
22	The York County National Bank, York, Pa	2,000	2 50
22	Merchants' National Bank, Dayton, Ohio	1,000	1 25
22	First National Bank, Bellaire, Ohio	1,000	1 25
22	do	3,000	3 75
25	The National Bank of Illinois, Chicago, Ill	1,000	1 25
25	First Natianal Bank, Chicago, Ill	1,000	1 25
25	do	2,000	2 50
25	do	2,000	2 50
25	do	5,000	6 25
25	National City Bank, Ottawa, Ill	1,000	1 25
25	Polk County Bank, Bolivar, Mo	1,000	1 25
25	E. F. Riley	1,000	1 25
25	Farmers' and Traders' Bank, Leon, Iowa	1,000	1 25
25	North National Bank, Boston, Mass	1,000	1 25
25	do	5,000	6 25
25	City National Bank, Cairo, Ill	1,000	1 25
25	Nevada Bank, San Francisco, Cal	9,840	12 30
25	Marion County Savings Bank, Palmyra, Mo	1,000	1 25

Commissions paid on subscriptions, &c.—Continued.

When paid.	Name.	Subscription.	Commission.
1879.			
May 25	Saint Louis National Bank, Saint Louis, Mo	$10,000	$12 50
25	Daniel T. Hunt	1,000	1 25
25	R. Mather, cashier	1,000	1 25
25	John Long & Co	5,000	6 25
25	Cleveland National Bank, Cleveland, Tenn	4,000	5 00
25	Bank of Buffalo, N. Y	1,000	1 25
25	J. V. Thompson, cashier	1,000	1 25
25	First National Bank, Wabash, Ind	1,000	1 25
25	Merchants' National Bank, Little Rock, Ark	1,000	1 25
25	First National Bank, Newville, Pa	1,000	1 25
25	Traders' National Bank, Rochester, N. Y	1,000	1 25
25	Cook, Musser & Co	5,000	6 25
25	Charles P. Williams	1,000	1 25
25	Second National Bank, City of New York	50,000	62 50
25	James H. Marshall	1,000	1 25
25	H. D. Cook, jr., & Co	50,000	62 50
25	National Revere Bank, Boston, Mass	1,000	1 25
25	Second National Bank, New Haven, Conn	2,000	2 50
25	T. F. Robley	1,000	1 25
25	M. W. McAlarney	6,000	7 50
30	Thomas F. Low	2,000	2 50
30	G. H. Meyer	2,000	2 50
30	German Bank, Leavenworth, Kans	3,000	3 75
30	Louis H. Mayer	5,000	6 25
30	Frank, Rosenberg & Co	1,000	1 25
30	Emanuel Siegel	1,000	1 25
30	Vermont National Bank, Brattleborough, Vt	1,000	1 25
30	Edward C. Wade	2,000	2 50
30	Home National Bank, Ellenville, N. Y	1,000	1 25
30	First National Bank, Providence, R. I	10,000	12 50
30	First National Bank, Springfield, Ill	1,000	1 25
30	W. N. Denny	3,000	3 75
May 6	Peoples' National Bank, Brattleborough, Vt	1,000	1 25
Apr. 30	N. D. Sperry	5,000	6 25
30	Third National Bank, Louisville, Ky	3,510	4 39
30	The National Bank of Rondout, N. Y	1,000	1 25
30	First National Bank, Hanover, Pa	1,000	1 25
30	First National Bank, Milwaukee, Wis	19,000	23 75
30	John R. Runyon	1,000	1 25
30	Israel Howell	4,000	5 00
30	....do	2,000	2 50
30	N. D. Sperry	5,000	6 25
30	M. W. McAlarney	5,000	6 25
30	National Metropolitan Bank, Washington, D. C	4,000	5 00
30	First National Bank, Providence, R. I	1,000	1 25
May 2	Second National Bank, New York	50,000	62 50
2	Frank, Rosenburg & Co	1,000	1 25
2	Union National Bank, Macomb, Ill	4,000	5 00
2	Daniel T. Hunt	5,000	6 25
2	First National Bank, Madison, Ind	1,000	1 25
2	Ross County National Bank, Chillicothe, Ohio	1,000	1 25
2	First National Bank, Zanesville, Ohio	1,000	1 25
2	Israel Howell	10,000	12 50
7	Antoinette Clapp	6,000	7 50
7	H. A. Cobaugh	1,100	1 37
7	W. L. Austin	7,200	9 00
7	C. F. Brainard	1,400	1 75
7	Farmers and Merchants' National Bank, Philadelphia, Pa	13,000	16 25
7	William Fletcher	2,400	3 00
9	F. M. Posegate	5,000	6 25
9	Thomas J. Abbott	3,500	4 37
9	Merchants' National Bank, Saint Paul, Minn	1,000	1 25
9	F. H. Smith, jr	2,500	3 12
9	Second National Bank, Wilkesbarre, Pa	1,000	1 25
9	D. V. Gehr	1,000	1 25
9	James H. Marshall	1,000	1 25
9	N. D. Sperry	5,000	6 25
9	Israel Howell	12,000	15 00
9	T. F. Robeley	1,000	1 25
9	Cleveland National Bank, Cleveland, Tenn	7,000	8 75
9	James R. Ash	6,100	7 62
9	A. S. McCoy	3,100	3 87
9	The Flour City National Bank, Rochester, N. Y	5,000	6 25
9	Daniel T. Hunt	3,000	3 75
9	A. M. Proctor	6,600	8 25
9	N. D. Sperry	5,000	6 25
9	Israel Howell	12,000	15 00
9	M. Mulville	1,000	1 25
9	James H. Marshall	1,000	1 25

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
May	9	N. D. Sperry	$5,000	$6 25
	9	M. W. McAlarney	6,000	7 50
	9	John W. Harris	7,300	9 12
	9	First National Bank, Chelsea, Mass	2,000	2 50
	9	A. K. Parris	4,200	5 25
	9	Andrew Luke	1,000	1 25
	9	D. A. Hall	2,000	2 50
	9	E. G. Harbaugh	1,000	1 25
	9	H. D. Swayze	6,000	7 25
	12	First National Bank, Gloucester, Mass	1,000	1 25
	12	George A. Bassett	1,100	1 37
	12	W. R. Lapham	4,000	5 00
	12	O. L. Pitney	2,000	2 50
	12	J. P. Gaynor	3,000	3 75
	12	First National Bank, New York	10,000	12 50
	12	Alfred Flather	3,500	4 37
	12	Charles McDermott	1,000	1 25
	12	James A. McGowan	18,000	22 50
	12	William M. Fletcher	2,800	3 50
	12	F. P. McDermott	1,000	1 25
	12	W. T. Bleakley	3,500	4 37
	17	J. J. Low	6,000	7 50
	17	Charles Harris	1,000	1 25
	17	W. C. Bailey	1,300	1 62
	17	William Rockhold	3,100	3 87
	17	S. G. Fox	1,000	1 25
	17	Howard D. Hovey	5,200	6 50
	17	Charles P. Williams	7,600	9 50
	17	C. C. Glover	45,600	57 00
	17	Robert Schleestein	1,000	1 25
	17	Seth Schell	2,000	2 50
	17	R. E. Joyce	1,500	1 87
	17	H. B. Proctor	6,800	8 50
	17	James Young	1,100	1 37
	17	Seasongood Sons & Co	2,000	2 50
	23	W. P. Boteler	7,400	9 25
	23	C. M. Hendley	22,000	27 50
	23	William Frankenbach	1,000	1 25
	23	Sol. Schwarz	1,000	1 25
	26	Hess Brothers & Co	2,000	2 50
	26	John H. Rehenstedt	1,000	1 25
	26	A. Uhlfelder	1,000	1 25
	26	D. S. Greenebaum	1,000	1 25
	26	Henry Cohen	1,000	1 25
	26	C. D. Barney	2,100	2 62
	26	Spencer Ervin	1,000	1 25
	27	W. K. Rogers	7,000	8 75
	27	F. D. Johns	1,100	1 37
	27	J. D. Kline	1,000	1 25
June	17	C. L. T. Stedmam	2,000	2 50
	17	Edward Wolcott	2,000	2 50
	17	Burke & Herbert	10,300	12 87
	17	L. S. Frey	2,000	2 50
	17	Thomas Francis	6,000	7 50
	17	Farmers and Mechanics' National Bank, Georgetown, D. C	2,500	3 12
	17	Thomas J. Hobbs	120,000	150 00
	17	H. G. Sickel	75,000	82 50
	17	E. Shufflebotham	1,600	2 00
	17	S. H. Merrill	1,910	2 38
	17	William E. Cox	5,900	7 37
	17	William M. Ash	3,900	4 87
	17	B. L. Baldwin	6,400	8 00
	9	John L. Thomas, jr	539,000	601 63
	9	Edwin S. Collamer	90,000	112 50
	10	E. B. Tyler	954,000	985 10
	12	Francis H. Stickney	65,000	80 00
	13	Thomas L. James	683,590	730 24
	13	Richard Joseph	245,000	286 87
	17	John S. Cunningham	235,000	261 25
	17	O. E. Babcock	215,000	237 50
	17	J. M. Edmunds	754,500	817 00
	19	Thomas F. Low	5,000	6 25
	19	First National Bank, Lincoln, Nebr	1,000	1 25
	19	First National Bank, Denison, Tex	1,000	1 25
	19	First National Bank, Towanda, Pa	1,000	1 25
	19	Thomas H. Bead	2,000	2 50
	19	First National Bank, Washington, Iowa	1,000	1 25
	19	Planters' Bank of Kentucky, Owensborough, Ky	1,000	1 25
	19	Thomas L. James	2,546,000	1,898 00

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
June	19	D. Fahnestock & Co	$1,300	$1 62
	19	William Dodge	3,600	4 50
	19	J. F. Hartranft	1,220,000	1,052 50
	19	Daniel W. Powers	5,000	6 25
	19	Roche & Coulter	1,000	1 25
	19	First National Bank, Memphis, Tenn	1,000	1 25
	19	First National Bank, Princeton, Ill	1,000	1 25
	19	Second National Bank, Utica, N. Y	1,000	1 25
	19	Second National Bank, Cooperstown, N. Y	1,000	1 25
	23	Francis Dodge	110,000	137 50
	26	Mrs. D. F. Kenley	1,700	2 12
	20	E. M. Lawton	50,000	62 50
	26	Franklin Association Bank, Athens, Ohio	3,000	3 75
	26	Lydia A. Pine	22,000	27 50
	26	C. L. Custer	4,900	6 12
	26	Appleton National Bank, Lowell, Mass	5,000	6 25
	26	Lexington City National Bank, Lexington, Ky	1,000	1 25
	26	National Ulster County Bank, Kingston, N. Y	2,000	2 50
	26	Omaha National Bank, Omaha, Nebr	4,500	5 62
	26	First National Bank, Omaha, Nebr	1,120	1 40
	26	Colorado National Bank, Denver, Colo	1,000	1 25
	26	do	1,000	1 25
	26	Pittsfield National Bank, Pittsfield, Mass	2,000	2 50
	26	Chase National Bank, New York City	50,000	125 00
	26	Clarence Corson	1,500	1 87
	26	First National Bank, New York	50,000	62 50
	26	Tradesmen's National Bank, Pittsburgh, Pa	5,000	6 25
	26	Wesley Kenney	1,200	1 50
	26	W. B. Tevis	4,200	5 25
	26	C. W. Hayden	1,500	1 87
	26	James Eveleth	50,000	62 50
	26	A. A. Warfield	205,500	256 87
	26	George William Howe	121,000	151 25
	26	Lewis Gilbough	3,900	4 87
	26	J. W. Gilbough	3,800	4 75
	26	Samuel Mulliken	60,000	75 00
	26	Lawrence G. Boggs	50,000	62 50
	26	J. O. P. Burnside	160,900	190 00
	26	Zabina Ellis	30,000	37 50
	26	Lewis McKenzie	65,000	81 25
	26	H. W. Howgate	30,000	37 50
	26	J. A. Smith	95,000	115 00
	25	Samuel Hays	6,010	7 51
	28	William Schuyler	3,500	4 37
July	7	C. R. Howell	2,100	2 62
	7	J. R. McMurray	2,800	3 50
	7	E. G. Herons	4,500	5 62
	7	Joseph Tevis	1,000	1 25
	7	J. W. Harris	57,700	72 12
	7	M. W. McAlarney	385,000	447 50
	7	W. R Holloway	115,000	137 50
	7	Otis H. Russell	10,000	12 50
	7	....do	12,000	15 00
	7	....do	35,000	43 75
	7	....do	5,000	6 25
	7	....do	25,000	31 25
	7	Edward C. Wade	7,000	8 75
	7	....do	40,500	50 62
	7	....do	3,000	3 75
	7	Hatch & Foote	6,000	7 50
	7	D. B. Hatch	1,600	2 00
	7	Kentucky National Bank, Louisville, Ky	18,000	22 50
	7	First National Bank, Brandon, Vt	2,000	2 50
	7	....do	1,000	1 25
	7	National Bank of the Commonwealth, Boston	25,000	31 25
	7	City National Bank, Williamsport, Pa	2,000	2 50
	7	Lagonda National Bank, Springfield, Ohio	1,000	1 25
	7	Third National Bank, Nashville, Tenn	5,000	6 25
	7	John Clinton	2,000	2 50
	7	F. M. Rosegate	20,000	25 00
	7	Rollstone National Bank, Fitchburg, Mass	2,500	3 12
	7	A. L. Whiteman	8,000	10 00
	7	William H. Craig	190,000	232 50
	7	Samuel H. Gurney	3,000	3 75
	7	Henry L. Wood	5,000	6 25
	7	S. H. Canfield	12,000	15 00
	7	Oscar G. Burch	18,000	22 50
	7	John Clinton	22,000	27 50
	7	John A. Rathbun	48,000	60 00

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
July	7	Thomas M. Walker	$235,030	$293 79
	7	....do	7,970	9 96
	7	James B. Stoner	4,000	5 00
	7	J. Elliott Shaw	1,200	1 50
	7	H. Shaw	1,100	1 37
	7	Robert Iredell, jr	7,000	8 75
	7	....do	6,000	7 50
	7	....do	4,000	5 00
	7	H. S. Beardsley	3,000	3 75
	7	David D. Grant	30,000	37 50
	7	Robert Iredell, jr	16,000	20 00
	7	John L. Conklin	81,000	101 25
	7	R. P. Tendick	26,000	32 50
	7	Miranda Williamson	25,000	31 25
	7	George V. Cane	3,000	3 75
	7	Charles W. Miller	12,000	15 00
	7	William E. Blunt	65,000	81 25
	7	M. W. Briggs	13,000	16 25
	7	Caroline Brigham	20,000	25 00
	7	J. C. Lewis	4,000	5 00
	7	William J. Kline	50,000	62 50
	7	H. L. Roberts	60,000	70 00
	7	J. W. Knowlton	205,000	252 50
	7	H. A. Greene	260,000	295 00
	7	German National Bank, Evansville, Ind	10,000	12 50
	7	John F. Hartranft	1,370,000	182 50
	7	C. F. Scott	50,000	62 50
	16	E. R. Shipley	1,000	1 25
	16	....do	1,000	1 25
	16	John N. Runyon	33,000	41 25
	16	Charles Griswold	6,000	7 50
	16	Isaac H. Sturgeon	10,000	12 50
	16	M. W. Stafford	4,000	5 00
	16	Gustavus St. Gem	105,000	115 00
	16	E. C. Fordham	3,000	3 75
	16	J. W. Howson	6,000	7 50
	16	M. Mulville	9,000	11 25
	16	E. N. Leavener	10,000	12 50
	16	William Z. King	40,000	50 00
	16	H. R. Crenshaw	3,000	3 75
	16	James H. Clark	5,000	6 25
	16	William Schulenberg	5,000	6 25
	16	David Esterley	3,000	3 75
	16	Oscar Eaton	26,000	32 50
	16	George W. Matthews	2,000	2 50
	3	Alfred F. Howard	90,000	112 50
	10	Samuel Hayes	42,000	52 50
	10	....do	840,000	895 60
	16	Chase National Bank, New York	70,000	87 50
	16	N. Filbeck	5,000	6 25
	16	Samuel B. Atwell	41,000	51 25
	16	J. T. Moak	8,000	10 00
	16	John R. Cameron	31,000	38 75
	16	S. R. Fowler	101,000	126 25
	16	M. N. Dickinson	4,000	5 00
	16	J. Fred. Meyers	15,000	18 75
	16	Jacob Faber	2,000	2 50
	16	W. F. Gookin	11,000	13 75
	16	James M. Leer	405,000	452 50
	16	James R. Dawes	195,000	242 50
	16	William Ward	670,000	717 50
	16	Gus. A. Bodenschatz	50,000	62 50
	16	Thomas Coggeshall	215,880	269 85
	16	....do	37,120	46 40
	16	William M. Pyle	25,000	31 25
	16	Samuel L. Miller	11,000	13 75
	16	N. D. Sperry	395,000	465 00
	16	George H. Anderson	320,000	347 50
	16	Rufus Ogden	5,000	6 25
	16	B. Frank Marsh	10,000	12 50
	16	Charles H. Houghton	49,000	61 25
	16	E. B. Frost	16,000	20 00
	16	J. M. Boicourt	5,000	6 25
	16	William Billings	1,000	1 25
	16	Everett B. Adams	10,000	12 50
	16	W. K. Smith	1,000	1 25
	16	William C. Elliott	3,000	3 75
	16	B. Frank Marsh	125,000	155 00
	16	Virginia C. Thompson	380,000	422 50

Commissions paid on subscriptions, &c.—Continued.

When paid.	Name.	Subscription.	Commission.
1879.			
July 16	E. G. Butts	$45,000	$56 25
16	Charles L. Dana	157,000	179 50
16	John C. Davis	14,000	17 50
16	George Pfleger	45,000	56 25
16	Tulie Olden	1,000	1 25
16	Sanford P. Judkins	10,000	12 50
16	H. A. Patterson	2,000	2 50
16	W. S. Krake	4,000	5 00
16	Joseph F. Curren	10,000	12 50
16	H. A. Millitzer	16,000	20 00
16	Henry J. Johnson	55,000	68 75
16	Dennis P. Brophy	3,000	3 75
16	H. A. Marsh	55,000	68 75
16	Charlotte Allen	5,000	6 25
16	W. S. Krake	13,000	16 25
16	J. K. Spaulding	15,000	18 75
16	O. C. Eaton	57,000	71 25
16	Hosea B. Carter	5,000	6 25
16	Albert F. Hunt	1,000	1 25
16	Samuel Cook	1,000	1 25
16	S. C. Kenaga	4,000	5 00
16	F. W. Keil	36,000	45 00
16	Horace C. Little	113,000	141 25
16	E. S. Tobey	965,000	922 50
16	C. P. Carpenter	110,000	135 00
16	Thomas & Shoemaker	21,000	26 25
16	W. J. Webster	1,000	1 25
16	D. O. Gehr	1,000	1 25
16	....do	1,000	1 25
16	....do	1,000	1 25
16	Thomas Power	39,000	48 75
16	S. W. Abbott	2,000	2 50
16	Henry W. Shore	11,000	13 75
16	C. F. Martin	11,000	13 75
16	Smith D. Atkins	12,000	15 00
16	Isaac D. Libbey	15,000	18 75
16	John R. Runyon	99,000	123 75
16	Jason P. Jewett	5,000	6 25
16	W. J. Webster	1,000	1 25
16	Thomas Coggeshall	99,000	123 75
16	John W. Dereen	5,000	6 25
16	S. W. Abbott	2,000	2 50
16	Charles T. Ricks	10,000	12 50
16	Hiram W. Goodspeed	4,000	5 00
16	Thomas F. Robley	10,000	12 50
16	Elias E. Fuller	70,000	87 50
16	Rush Reynolds	8,000	10 00
16	J. A. Blossom	5,000	6 25
16	W. N. Denney	17,000	21 25
16	Rodolphus Hubbard	8,000	10 00
16	G. J. Thomas	3,000	3 75
16	E. F. Horton	10,000	12 50
16	A. F. Lewis	10,000	12 50
16	Israel Howell	662,000	729 50
16	M. F. Rowe	18,000	22 50
16	F. M. Cronkrite	22,000	27 50
19	Frank W. Palmer	969,000	1,019 00
28	George H. Keith	5,000	6 25
28	Louis H. Mayer	12,800	16 00
28	....do	5,200	6 50
28	W. A. Stafford	8,530	10 66
28	Charles Seymour	3,000	3 75
28	John Beatty	1,000	1 25
28	W. A. Stafford	18,470	23 08
28	Louis H. Mayer	55,000	68 75
28	R. H. Stephenson	640,000	595 00
28	H. S. Glover	32,000	40 00
28	George W. Grant	123,000	153 75
28	Louis H. Mayer	19,000	23 75
28	Andrew D. Rodger	70,000	87 50
28	George H. Keith	106,000	132 50
28	Isaac P. Noyes	33,000	41 25
28	Frederick S. Pope	11,000	13 75
28	George W. Kimball	80,000	100 00
28	John Cope	28,000	35 00
28	D. B. Anthony	80,000	100 00
28	C. Smith	13,000	16 25
28	James C. P. Kincaid	33,000	41 25
28	A. Meirscheidt	6,000	7 50

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
July	28	Joseph Rainier	$2,000	$2 50
	28	D. O. Gehr	12,000	15 00
	28	R. H. Hunter	135,000	165 00
	28	Samuel Tochappot	10,000	12 50
	28	G. B. Vastine	14,000	17 50
	28	W. W. McAteer	1,000	1 25
	28	Henry Schildt	6,000	7 50
	28	A. F. Grantigny	5,000	6 25
	28	E. R. Brink	35,000	43 75
	28	Louis M. Davis	3,000	3 75
	28	Henry R. Smith	21,000	26 25
	28	C. A. Lounsberry	5,000	6 25
	28	C. H. Odell	10,000	12 50
	28	W. W. Bayless	6,000	7 50
	28	White, Morris & Co	10,000	12 50
	28	First National Bank, New Milford, Conn	1,000	1 25
	28	Bank of New York National Banking Association	100,000	125 00
	28	John Scott	1,000	1 25
	28	B. A. Boseman	18,000	22 50
	28	Cheney Ames	61,000	76 25
	28	Henry B. Evans	240,000	270 00
	28	N. Filbeck	9,000	11 25
	28	John D. Wilson	9,000	11 25
	28	E. R. Shipley	3,000	3 75
	28	Theo. L. Case	35,000	43 75
	28	A. Palmer	2,000	2 50
	28	W. Francis	1,000	1 25
	28	H. H. Moore	1,000	1 25
	28	C. B. Loop	25,000	31 25
	28	Capt. J. M. Marshall	70,000	80 00
	28	Decatur Jones	1,000	1 25
	28	Julius C. Miller	6,000	7 50
	28	F. J. Daskenn	250,000	300 00
	28	William H. Tubbs	21,000	26 25
	28	E. Whaley	3,000	3 75
	28	Paul M. Green	2,000	2 50
	28	E. F. Applegate	14,000	17 50
	28	Chauncey Harris	350,000	405 00
	28	First National Bank, Brandon, Vt	13,000	16 25
	28	David Day	289,000	329 00
	28	..... do	8,000	10 00
	28	C. W. Carmany	90,000	112 50
	28	W. R. Mattison	182,000	227 50
	28	O. Swänson	2,000	2 50
	28	John W. Locke	18,000	22 50
	28	William C. McMurray	10,000	12 50
	28	John Hyland	11,000	13 75
	28	James F. Vaughan	10,000	12 50
	28	Daniel T. Hunt	212,000	265 00
	28	D. F. Pickering	10,000	12 50
	28	D. S. Gilger	10,000	12 50
	28	H. G. Sickel	125,000	55 00
	28	William H. Martin	180,000	210 00
	28	Philip Allen, jr	4,000	5 00
	28	C. Schneider	3,000	3 75
	28	J. H. Hagerty	3,000	3 75
	28	Louis H. Mayer	15,000	18 75
	28	F. T. Nichols	6,000	7 50
	28	Henry Cochran	10,000	12 50
	28	J. H. Mussner	5,000	6 25
	28	R. C. Hoover	3,000	3 75
	28	J. F. Rinker	3,000	3 75
	28	J. F. Scofield	30,000	37 50
	28	James H. Marshall	131,000	163 75
	28	Horace Dodd	5,000	6 25
	28	James Hutchinson	9,000	11 25
	28	Walter F. Davison	11,000	13 75
	28	George A. Mercer	115,000	143 75
	28	Samuel P. Baldridge	8,000	10 00
	28	Esther M. Speed	10,000	12 50
	28	M. H. Maill	10,000	12 50
	28	Allan Boyle	47,000	58 75
	28	Frank O'Neal	4,000	5 00
	28	W. S. Harlan	20,000	25 00
	28	Maggie R. Thompson	15,000	18 75
	28	Abram Van Tine	10,000	12 50
	28	E. J. Birch	23,000	28 75
	28	Isaac H. Coffin	12,000	15 00
	28	E. B. Pendleton	9,000	11 25

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
July	28	Newton Wells	$2,000	$2 50
	28	Emma J. Porter	15,000	18 75
	28	H. C. Cadmur	3,000	3 75
	28	J. F. Lanmaster	25,000	31 25
	28	William C. Vanderwater	30,000	37 50
	28	Charles Keeler	10,000	12 50
	28	Alpheus Beemer	15,000	18 75
	28	Henry B. Wilson	9,000	11 25
	28	Mary J. Martin	4,000	5 00
	28	E. B. Dawson	18,000	22 50
	28	John A. Myler	20,000	25 00
	28	F. B. Patten	5,000	6 25
	28	B. H. Chambers	1,000	1 25
	28	John R. Dobson	20,000	25 00
	28	R. W. Patton	20,000	25 00
	28	A. Vignos	3,000	3 75
	28	S. B. Piper	1,000	1 25
	28	Ezra Sprague	15,000	18 75
	28	Henry Wetteroth	20,000	25 00
	28	R. Rusling	28,000	35 00
	28	Thomas P. Miller	20,000	25 00
	28	C. W. Eckman	10,000	12 50
	28	Joseph R. Clark	12,000	15 00
	28	M. J. Rockafellow	20,000	25 00
	28	Charles E. Bristol	13,000	16 25
	28	W. H. Spencer	10,000	12 50
	28	A. H. Huber	15,000	18 75
	28	J. W. Newlin	5,000	6 25
	28	James Curley	2,000	2 50
	28	O. R. Tyler	18,000	22 50
	28	John W. Heill	35,000	42 50
	28	J. L. Meloy	18,060	22 50
	28	John T Johnston	40,000	50 00
	28	James Williamson	22,000	27 50
	28	A. N. Barner	40,000	45 00
	28	Samuel C. Miller	11,000	13 75
	28	Charles D. Welles	20,000	25 00
	28	B. S. Palmer	30,000	37 50
	28	George Cross	10,000	12 50
	28	A. F. Gibbons	5,000	6 25
	28	Jos. H. Moore	7,000	8 75
	28	E. H. Carroll	15,000	18 75
	28	John A. Post	5,000	6 25
	28	L. D. Davis	16,000	20 00
	28	Jos. Richardson	3,000	3 75
	28	Charles Olmstead	20,000	25 00
	30	Charles Seymour	5,000	6 25
	30	C. P. Abbott	10,000	12 50
	30	John Beatty	2,000	2 50
	30	James V. Aldrich	2,000	2 50
	30	Lizzie Gilmer	5,000	6 25
	30	John S. Wilcox	7,000	8 75
	30	S. J. Oldfield	3,000	3 75
	30	J. F. Wilson	1,000	1 25
	30	G. W. Chrysup	3,000	3 75
	30	Henry M. Clurky	2,000	2 50
	30	E. B. Stephens	45,000	56 25
	30	Asa Smith	40,000	50 00
	30	James E. Hill	1,000	1 25
	30	A. C. Chase	120,000	147 50
	30	W. A. Stafford	22,000	27 50
	30	Robert W. Cram	6,000	7 50
	30	John G. England, jr	10,000	12 50
	30	Albert Davis	11,000	13 75
	30	George J. Krebs	6,000	7 50
	30	Nimrod Headington	2,000	2 50
	30	J. D. Harvey	140,000	152 50
	30	F. O. Chamberlain	64,000	80 00
	30	E. W. Evers	2,000	2 50
	30	O. S. Gilbert	22,000	27 50
	30	H. C. Payne	210,000	240 00
	30	First National Bank, Salem, Mass	5,500	6 87
	30	Charles Hemiup	25,000	31 25
	30	Herman Sagebiel	2,000	2 50
	30	F. M. Posegate	15,000	18 75
Aug.	1	J. R. Dunkelberger	10,000	12 50
	1	James Parks	2,000	2 50
	1	M. Bradley Nash	1,000	1 25
	1	F. M. Goar	12,000	15 00
	1	T. A. Hills	6,000	7 50

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
Aug.	1	S. G. Hamlin	$50,000	$62 50
	1	Samuel S. Gleason	15,000	18 75
	1	George F. Weston	10,000	12 50
	1	W. W. Jenkins	12,000	15 00
	1	B. J. Derby	45,000	56 25
	1	Silas M. Norton	5,000	6 25
	1	Arthur W. Thomas	45,000	56 25
	1	E. T. Rowell	40,000	50 00
	1	J. C. Chaffee	8,000	10 00
	1	R. S. Munn	12,000	15 00
	1	A. H. Heath	2,000	2 50
	1	Benjamin Conley	60,000	75 00
	1	George H. Fullerton	25,000	30 00
	1	James A. Nixon	105,000	131 25
	1	J. S. Dolson	3,000	3 75
	1	J. M. Thompson	10,000	12 50
	1	A. Samson	2,000	2 50
	1	Jas. E. Larkin	25,000	31 25
	1	John A. Shipman	25,000	31 25
	1	A. B. Farnham	25,000	31 25
	1	Z. B. Hargrove	10,000	12 50
	1	J. J. Seaver	10,000	12 50
	1	A. T. Moorhead, jr	20,000	25 00
	1	W. K. Carver	6,000	7 50
	1	Ervin D. Hall	6,000	7 50
	1	George T. Arnold	4,000	5 00
	1	William M. Halsey	2,000	2 50
	1	Henry W. Wright	10,000	12 50
	1	William M. Winkler	5,000	6 25
	1	Thomas E. Douglas	15,000	18 75
	1	William H. Sargent	14,000	17 50
	1	Edwin Fisher	9,000	11 25
	1	J. H. Hixon	4,000	5 00
	1	Julius S. Barber	35,000	43 75
	1	O. B. Warren	10,000	12 50
	1	Thomas Hammond	2,000	2 50
	1	W. N. Smith	10,000	12 50
	1	J. C. Jewell	144,000	180 00
	1	David Wiggins	5,000	6 25
	1	Newell Jones	15,000	18 75
	1	James H. Douglass	6,000	7 50
	1	W. S. Prather	10,000	12 50
	1	J. H. Orcutt	2,000	2 50
	1	W. A. Walker	6,000	7 50
	1	R. M. Dutton	5,000	6 25
	1	L. B. Kendall	20,000	25 00
	1	E. S. Smith	3,000	3 75
	1	William Dougall	4,000	5 00
	1	Enoch Fribley	3,000	3 75
	1	John M. Kranth	10,000	12 50
	1	James H. Gaff	10,000	12 50
	2	Mrs. S. S. Farrell	25,000	31 25
	2	L. W. Smith	1,000	1 25
	2	John Lerch	20,000	25 00
	2	E. D. Richardson	10,000	12 50
	2	J. D. Wilson	11,000	13 75
	2	James Ewing	35,000	43 75
	2	H. W. Hubbard	3,000	3 75
	2	J. F. Fisher	165,000	187 50
	2	P. A. Gaulin	10,000	12 50
	2	W. A. Perry	2,000	2 50
	2	M. H. S. Long	2,000	2 50
	2	W. H. Archer	1,000	1 25
	2	E. A. Hough	6,000	7 50
	2	M. N. Towne	2,000	2 50
	2	Jos. L. Van Cleft	25,000	31 25
	2	Manufacturers' National Bank, Boston, Mass	7,000	8 75
	2	Jane F. Righter	80,000	100 00
	2	Mrs. D. Wattington	2,000	2 50
	2	John W. Brown	5,000	6 25
	6	Elish Hitchens	2,000	2 50
	6	M. B. Heirz	3,000	3 75
	6	A. B. Berard	2,000	2 50
	6	W. B. Baker	3,000	3 75
	6	Thomas Newell	35,000	43 75
	6	Charles E. Ellis	3,000	3 75
	6	T. Richardson	1,000	1 25
	6	Henry E. Mason	20,000	25 00

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
Aug.	6	Albion Horrall	$2,000	$2 50
	6	J. W. Wakefield	30,000	37 50
	6	Mary L. Ross	90,000	100 00
	6	John F. Stiegemeier	3,000	3 75
	6	Nathan Wyman	10,000	12 50
	6	J. B. Ralph	1,000	1 25
	6	James H. Ashcraft	15,000	18 75
	6	F. M. Ryan	1,000	1 25
	6	Eliza Sellers	1,000	1 25
	6	J. L. Marsh	20,000	25 00
	6	Henry Pound	1,000	1 25
	6	Henry King	25,000	31 25
	6	A. F. Graves	15,000	18 75
	6	Thomas G. Lawler	70,000	87 50
	6	Electa E. Smith	25,000	31 25
	6	Clark E. Carr	15,000	18 75
	6	Thomas F. Hall	50,000	62 50
	6	A. W. Maitland	4,000	5 00
	6	L. J. Worden	12,000	15 00
	6	M. C. Garber	10,000	12 50
	6	J. C. Cover	6,000	7 50
	6	J. B. Venard	10,000	12 50
	6	Abial M. Condit	5,000	6 25
	6	M. M. Murdock	21,000	26 25
	6	D. S. Hooper	15,000	18 75
	6	J. H. Hendrix	4,000	5 00
	6	D. O. Riley	1,000	1 25
	6	Sarah M. Russell	20,000	25 00
	6	Michael Riggott	10,000	12 50
	6	Alexander Case	11,000	13 75
	6	W. B. Camirce	3,000	3 75
	6	Julia P. Woolfolk	2,000	2 50
	6	Sarah Feast	1,000	1 25
	6	Albert Parker	50,000	62 50
	6	J. C. Vanderbeck	14,000	17 50
	6	W. L. Wright	25,000	31 25
	6	W. L. McMillen	40,000	50 00
	6	H. S. Fitzgerald	1,000	1 25
	6	Jacob R. Lovell	10,000	12 50
	6	Samuel G. Atkins	6,000	7 50
	6	J. W. Gauley	1,000	1 25
	6	H. K. Milward	40,000	50 00
	6	James Gray	7,000	8 75
	6	John S. Stevens	40,000	50 00
	6	C. E. Allen	1,000	1 25
	6	F. M. Sterrett	3,000	3 75
	6	J. M. Todd	20,000	22 50
	6	B. P. Crocker	15,000	18 75
	6	L. A. Buck	70,000	87 50
	6	T. J. Tiffany	12,000	15 00
	6	John F. Morris	40,000	45 00
	6	First National Bank, Sandusky, Ohio	1,000	1 25
	6	Frederick Decker	8,000	10 00
	6	James Browne	3,000	3 75
	6	George W. Merrick	35,000	43 75
	6	Alf. S. Sheller	10,000	12 50
	6	W. S. Blakely	2,000	2 50
	6	J. S. Linney	15,000	17 50
	6	Merchants' National Bank, Little Rock, Ark	9,000	11 25
	6	C. T. Ewing	6,010	7 51
	6	Sarah Snapp	65,000	70 00
	6	J. T. Wilson	30,000	37 50
	6	John W. Kimball	35,000	40 00
	0	Elisha W. Keyes	50,000	55 00
	6	Charles M. Warner	3,000	3 75
	6	Charles W. Gregory	35,000	37 50
	6	F. F. Rompel	10,000	12 50
	6	C. M. Colvin	20,000	25 00
	6	Jonathan Jessop	46,000	57 50
	6	A. H. Tuttle	10,000	12 50
	6	Harlow Kline	2,000	2 50
	6	John Walker	4,000	5 00
	6	Heil Woodward	10,000	12 50
	6	Kuhn & Sons	1,000	1 25
	6	First National Bank, Cincinnati, Ohio	3,000	3 75
	6	Espy, Heidelback & Co	1,000	1 25
	7	National Bank of Commerce, Cincinnati, Ohio	1,000	1 25
	7	Montpelier National Bank, Vermont	102,000	127 50
	15	Third National Bank, Cincinnati, Ohio	1,340	1 67
	15	James R. Turner	1,000	1 25

Commissions paid on subscriptions, &c.—Continued.

When paid.		Name.	Subscription.	Commission.
1879.				
Aug.	15	James M. Hoskins	$650	$0 81
	15	Thomas E. Matteson	770	95
	15	Theo. J. Shear	9,760	12 20
	15	John Beckwith	45,000	52 50
	15	J. & J. Klinkhammer	1,000	1 25
	15	M. E. Richards	10,000	12 50
	15	George W. Lawton	4,000	5 00
	15	Richard Powell	1,000	1 25
	15	Hugh Sterling	55,000	67 50
	15	H. E. Burgess	4,750	5 94
	15	G. A. Pfrangle	25,000	31 25
	15	James F. Agee	20,000	25 00
	15	B. F. Bradley	1,000	1 25
	15	Mattie Dee Todd	8,000	10 00
	15	Monument National Bank, Charlestown, Mass	5,000	6 25
	15	Harriet L. McGuigan	18,000	22 50
	15	First National Bank, Newport, Ky	1,000	1 25
	15	Colorado National Bank, Denver, Colo	3,000	3 75
	15	Charles B. Kurtz	4,000	5 00
	15	H. F. Best	1,000	1 25
	19	Jacob Stotler	25,000	31 25
	19	A. M. Wheeler	10,000	12 50
	26	W. H. Ziemendorff	4,000	5 00
	26	E. C. Miller	120	15
	26	J. M. Wilkinson	5,000	6 25
	26	John P. Loge	122,000	129 56
	26	William Lake	290	36
	26	F. P. Houser	990	1 12
	26	J. G. Buchanan	1,240	1 55
	26	Ira R. Ermer	1,060	1 32
	26	A. T. Lea	1,000	1 25
	26	Samuel C. Fuller	2,720	3 40
	26	Merchants' National Bank, Burlington, Vt	100,000	125 00
Sept.	2	John Landis	1,000	1 25
	2	Thomas Ward	610	76
	2	S. S. Holbrook	250	31
	2	William Smith	1,000	1 25
	2	John C. Sullivan	40,000	50 00
	2	First National Bank, Syracuse, N. Y	20,000	25 00
	6	H. G. Allen	450	56
	6	J. P. Grever	350	44
	6	James Longstreet	1,910	2 39
	6	C. F. Josette	2,000	2 50
	15	J. N. Brewer	1,000	1 25
	15	C. W. Arnold	570	71
	15	J. Bartholomew	700	87
	15	National Bank of Texas, Galveston	25,000	31 25
Oct.	1	Western German Bank, Cincinnati, Ohio	2,000	2 50
	1	Granite National Bank, Augusta, Me	100,000	125 00
	1	National Albany Exchange Bank, Albany, N. Y	10,000	12 50
	3	Lambertville National Bank, Lambertville, N. J	2,000	2 50
	3	First National Bank, Kalamazoo, Mich	6,000	7 50
	3	First National Bank, Portsmouth, N. H	10,000	12 50
	14	H. L. Beardsley	3,000	3 75
	14	Harrisburg National Bank, Harrisburg, Pa	10,000	12 50

Statement of the assets of the United States Treasury on the first day of every month from July 1, 1878, to November 1, 1879, inclusive.

	July 1, 1878.	August 1, 1878.	September 1, 1878.	October 1, 1878.	November 1, 1878.	December 1, 1878.
Gold coin and bullion	$128,460,202 87	$132,014,619 41	$134,548,036 53	$136,036,302 20	$140,872,154 79	$142,400,135 29
Standard silver dollars	7,718,357 00	9,550,236 63	11,292,849 00	12,155,205 00	13,397,571 00	14,843,219 00
Fractional silver coin	*14,201,976 81	*14,745,426 92	*15,460,881 29	*15,777,937 50	*14,675,174 52	*16,169,325 84
Silver bullion						
Gold certificates; act of March 3, 1863	19,469,320 00	18,170,420 00	20,794,220 00	9,392,920 00	9,901,520 00	9,845,120 00
Silver certificates; act of February 28, 1878	1,455,520 00	2,647,940 00	4,424,600 00	1,316,470 00	2,639,560 00	1,907,460 00
Old demand notes	5 00					
National-bank gold notes	1,720 00	1,720 00	1,720 00	1,720 00	1,720 00	1,720 00
United States notes	62,020,120 73	67,105,859 19	68,348,254 36	63,049,339 67	64,175,605 84	63,655,404 16
National-bank notes	12,788,203 07	14,117,824 32	11,771,109 08	9,259,043 81	6,368,728 70	8,054,123 83
Fractional currency redeemed in silver	98,148 25	95,767 58	95,602 24	95,369 88	68,667 14	75,703 49
Fractional currency	81,895 60	92,539 81	64,071 19	65,711 98	72,784 67	59,913 51
Deposits held by national-bank depositaries	50,583,814 08	60,645,895 92	70,481,166 89	75,661,403 15	55,539,482 83	39,260,045 28
Nickels and minor coins	1,261,713 89	1,338,132 79	1,398,587 32	1,410,898 50	1,435,034 58	1,440,493 12
New York and San Francisco exchange	242,000 00	190,500 00	151,000 00	367,000 00	241,000 00	149,000 00
One and two year notes, &c	10 50	10 50	42 00	73 50	8,792 31	9,404 04
Redeemed certificates of deposit; act of June 8, 1872	570,000 00	460,000 00	1,460,000 00	1,345,000 00	180,000 00	2,120,000 00
Quarterly interest checks and coin coupons paid	1,447,267 03	912,510 51	186,690 36	256,900 46	65,660 45	138,995 43
Registered and unclaimed interest paid	2,930,085 25	469,352 00	339,994 05	370,482 80	55,186 55	23,932 00
United States bonds and interest					4,104,679 78	13,644,048 81
Interest on District of Columbia bonds		32,062 08	24,804 71	1,345 64	162 64	14 30
Deficits, unavailable funds	729,195 64	729,195 64	729,195 64	729,195 64	729,195 64	729,195 64
Refunding certificates and interest; act of February 26, 1879						
Pacific railroads, interest paid	593,070 00					
Pacific railroads, sinking fund						
United States notes (special fund for redemption of fractional currency)	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00
Compound-interest notes				83 58		
7 3-10 notes purchased	8,750 31	8,750 31	8,750 31	8,759 43		
Speaker's certificates, House of Representatives			16,224 00	123,802 00		10,400 00
Coupons, District of Columbia bonds		6,400 00				
Total	314,661,376 03	333,335,163 61	351,597,798 97	337,424,964 74	324,532,473 75	324,537,653 74

*Includes bullion.

Statement of the assets of the United States Treasury, &c.—Continued.

	January 1, 1879.	February 1, 1879.	March 1, 1879.	April 1, 1879.	May 1, 1879.	June 1, 1879.
Gold coin and bullion	$135,382,639 42	$133,756,906 65	$133,265,550 43	$133,416,125 85	$134,520,140 48	$136,680,260 14
Standard silver dollars	16,704,829 00	17,874,457 00	19,505,767 00	21,558,894 00	23,694,563 00	26,181,045 00
Fractional silver coin	*15,471,365 27	*16,491,338 63	*16,115,893 28	*15,116,445 80	6,621,940 39	6,813,589 32
Silver bullion					6,949,046 43	5,672,655 55
Gold certificates; act of March 3, 1863	391,420 00	544,020 00	400,220 00	50,740 00	62,140 00	33,580 00
Silver certificates; act of February 28, 1878	2,082,770 00	2,170,840 00	1,976,320 00	2,074,830 00	1,779,340 00	1,922,820 00
Old demand notes	1,720 00	80,425 00	92,815 00	108,020 00	126,495 00	147,380 00
National-bank gold notes	59,582,505 38	62,463,706 94	72,650,231 65	67,370,677 54	62,032,034 80	72,244,509 73
United States notes	8,467,442 12	12,293,946 33	10,140,409 76	5,434,532 00	7,635,700 54	14,514,406 41
National-bank notes	78,736 36					
Fractional currency redeemed in silver	69,649 24	127,014 32	128,120 58	111,913 50	131,062 11	125,072 10
Fractional currency	53,205,308 75	166,351,141 26	249,586,805 22	226,681,802 01	260,760,430 69	276,442,471 36
Deposits held by national-bank depositaries	1,393,536 06	1,433,983 10	1,451,618 11	1,481,022 59	1,502,527 21	1,524,684 20
Nickels and minor coins	146,500 00	678,500 00	946,000 00	778,500 00	816,500 00	468,500 00
New York and San Francisco exchange	8,918 31	304 50	357 00	496 50	550 50	561 50
One and two year notes, &c	1,510,000 00	755,000 00	9,425,000 00	2,580,000 00	1,140,000 00	1,155,000 00
Redeemed certificates of deposit; act of June 8, 1872	1,466,692 42	549,092 81	367,157 67	330,080 57	343,813 84	129,458 35
Quarterly interest checks and coin coupons paid	4,281,698 50	514,127 58	331,313 50	352,056 50	519,117 50	507,516 25
Registered and unclaimed interest paid	10,371,165 64	8,126,553 29	4,586,308 98	1,498,117 05	1,018,973 02	5,772,916 49
United States bonds and interest	151 47			810 87	680 75	609 75
Interest on District of Columbia bonds	729,195 64	690,848 30	690,848 30	690,848 30	690,848 30	690,848 30
Deficits, unavailable funds						
Refunding certificates and interest; act of February 26, 1879	820,950 00			30 00	30 00	690 00
Pacific railroads, interest paid						
Pacific railroads, sinking fund						
United States notes (special fund for redemption of fractional currency)	10,000,000 00	8,560,824 00	8,519,741 00	8,458,991 00	8,446,338 00	8,408,106 60
Compound-interest notes						
7 3-10 notes purchased						
Speaker's certificates, House of Representatives	213,927 82	172,268 07	16,063 57	148,673 37	131,952 50	
Coupons, District of Columbia bonds						
Total	322,381,021 90	433,635,297 78	530,196,550 05	488,243,607 45	518,924,225 06	559,430,680 54

* Includes bullion.

Statement of the assets of the United States Treasury, &c.—Continued.

	July 1, 1879.	August 1, 1879.	September 1, 1879.	October 1, 1879.	November 1, 1879.
Gold coin and bullion	$135,236,474 62	$135,517,483 25	$141,546,390 52	$169,606,995 03	$171,517,713 65
Standard silver dollars	28,147,351 00	29,151,801 00	30,678,464 00	31,559,870 00	32,322,634 00
Fractional silver coin	8,903,401 36	12,731,765 97	15,236,724 48	16,814,308 94	17,755,926 76
Silver bullion	5,092,565 91	5,112,223 82	4,904,611 89	4,557,504 31	3,537,224 31
Gold certificates; act of March 3, 1863	133,880 00	43,800 00	120,000 00	67,700 00	213,400 00
Silver certificates; act of February 28, 1878	2,052,470 00	2,014,680 00	1,976,960 00	3,045,130 00	4,531,479 00
Old demand notes					
National-bank gold notes	149,140 00	160,380 00	170,200 00	183,640 00	196,200 00
United States notes	66,299,000 27	63,802,702 25	70,597,606 37	48,173,254 41	37,522,567 20
National-bank notes	8,137,561 35	7,028,064 64	4,968,455 34	4,137,661 76	3,461,967 75
Fractional currency redeemed in silver					
Fractional currency	116,469 55	117,097 26	86,359 79	94,470 92	74,014 60
Deposits held by national-bank depositaries	201,402,860 97	97,078,837 26	35,991,267 02	17,341,224 93	12,379,586 07
Nickels and minor coins	1,541,886 13	1,555,185 59	1,564,427 33	1,521,173 79	1,472,264 05
New York and San Francisco exchange	868,500 00	1,117,500 00	1,156,000 00	1,913,834 02	1,145,500 00
One and two year notes, &c	136 50	105 00	223 50	400 40	255 29
Redeemed certificates of deposit; act of June 8, 1872	1,450,000 00	590,000 00	960,000 00	1,975,000 00	2,315,000 00
Quarterly interest checks and coin coupons paid	102,015 18	303,773 15	210,912 74	170,619 16	271,765 29
Registered and unclaimed interest paid	516,417 75	515,496 25	505,044 00	22,355 00	5,941 00
United States bonds and interest	2,443,393 99	507 64	507 64	507 64	507 64
Interest on District of Columbia bonds	1 50	3,902 50	2,299 83	516 97	289 87
Deficits, unavailable funds	690,848 30	690,848 30	690,848 30	690,848 30	690,848 30
Refunding certificates and interest; act of February 26, 1879				24,119 74	
Pacific railroads, interest paid					
Pacific railroads, sinking fund	21,035 88			45,312 75	
United States notes (special fund for redemption of fractional currency)	8,375,934 00				
Compound-interest notes					
7 3-10 notes purchased					
Speaker's certificates, House of Representatives	22,351 00	89,486 00	114,483 00		128,681 00
Coupons, District of Columbia bonds					
Total	471,703,695 26	357,625,699 88	311,481,785 75	301,946,448 07	289,543,825 78

NOTE.—This statement is based upon actual returns received for the several dates to and including September 1, 1879, but after that date upon the latest returns received at the dates mentioned.

Statement of the liabilities of the United States Treasury on the first day of every month from July 1, 1878, to November 1, 1879, inclusive.

	July 1, 1878.	August 1, 1878.	September 1, 1878.	October 1, 1878.	November 1, 1878.	December 1, 1878.
Fund for redemption of certificates of deposit, June 8, 1872	$46,815,000 00	$51,580,000 00	$49,275,000 00	$40,890,000 00	$35,840,000 00	$37,190,000 00
Post-Office Department account	1,823,925 92	1,747,312 90	867,844 51	2,151,693 76	1,758,132 21	2,366,499 84
Disbursing-officers' balances	13,743,803 29	14,434,851 03	16,150,291 92	17,035,925 06	15,986,581 18	15,778,508 53
Fund for redemption of notes of national banks failed, in liquidation, and reducing circulation	9,797,513 00	9,777,322 00	9,142,230 00	9,182,400 90	9,609,988 00	9,830,881 25
Undistributed assets of failed national banks	874,702 22	910,247 20	654,775 22	775,814 12	803,800 48	772,110 33
Five per cent. fund for redemption of national-bank notes	10,202,193 11	11,181,968 86	12,130,748 41	12,974,232 75	14,047,900 05	13,786,909 85
Fund for redemption of national-bank gold-notes	1,720 00	1,720 00	1,720 00	1,720 00	1,720 00	1,720 00
Currency and minor-coin redemption account	9,283 21	10,649 07	5,209 25	5,987 37	3,470 64	3,833 94
Fractional silver-coin redemption account						
Interest account	287,770 75	886,068 50	531,707 75	666,085 50	202,708 00	100,950 25
Interest account, Pacific railroads and Louisville and Portland Canal Company	24,330 00	29,460 00	17,030 40	15,650 40	2,400 00	1,860 00
Treasurer's transfer checks outstanding	2,709,908 81	2,917,170 24	1,656,251 42	2,492,885 05	2,169,873 22	2,185,746 52
Treasurer's general account, interest due and unpaid	4,328,222 44	9,470,946 84	9,455,987 84	9,345,289 13	4,110,436 73	4,271,105 51
Treasurer's general account, called bonds and interest	5,030,945 58	8,501,389 77	11,466,409 22	12,015,016 78	14,713,663 66	23,358,070 29
Treasurer's general account, gold certificates	45,829,600 00	44,632,130 00	44,150,280 00	34,854,670 00	35,516,350 00	36,236,420 00
Treasurer's general account, silver certificates						
Treasurer's general account, refunding certificates						
Treasurer's general account, balance, including bullion fund	160,078,716 23	164,127,191 26	183,018,294 47	183,723,479 41	180,622,252 62	168,611,292 42
Treasurer's general account, special fund for redemption of fractional currency	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00	10,000,000 00
Treasurer's general account, outstanding drafts	3,085,082 47	3,058,596 88	2,983,811 81	1,235,709 91		
Secretary's special deposit account	9,587 59	9,135 19	10,662 69	13,085 83	16,000 19	16,814 29
Treasurer United States, agent for paying interest on old funded debt, District of Columbia		47,914 86				
Treasurer United States, commissioner sinking fund, District of Columbia		2,599 55				
Treasurer United States, agent for paying interest on District of Columbia bonds	9,011 41	8,489 46	79,544 06	45,318 77	27,404 46	24,930 72
Total	314,661,376 03	333,335,163 61	351,597,798 07	337,424,964 74	324,532,681 44	324,537,653 74

Statement of the liabilities of the United States Treasury, &c.—Continued.

	January 1, 1879.	February 1, 1879.	March 1, 1879.	April 1, 1879.	May 1, 1879.	June 1, 1879.
Fund for redemption of certificates of deposit June 8, 1872	$34,700,000 00	$41,200,000 00	$46,100,000 00	$27,725,000 00	$32,045,000 00	$27,035,000 00
Post-Office Department account	2,080,146 65	2,613,237 30	2,361,065 74	2,253,554 00	2,635,641 10	2,614,709 86
Disbursing-officers' balances	15,920,605 19	14,973,134 94	15,194,052 47	16,097,673 60	14,637,216 33	18,028,258 37
Fund for redemption of notes of national banks failed, in liquidation, and reducing circulation	10,435,034 75	11,350,869 75	11,740,601 75	12,412,223 75	13,003,496 75	12,195,162 75
Undistributed assets of failed national banks	972,096 31	1,138,794 77	876,900 82	1,189,371 03	967,228 96	488,837 65
Five per cent. fund for redemption of national-bank notes	13,922,428 00	13,480,390 36	13,378,633 41	13,710,180 90	13,659,897 95	13,027,041 62
Fund for redemption of national-bank gold-notes	1,720 00	1,720 00	1,720 00	1,720 00	1,720 00	240,320 00
Currency and minor-coin redemption account	5,472 21	4,215 02	4,840 06	4,477 89	3,749 45	4,931 39
Fractional silver-coin redemption account						
Interest account	34,509 75	310,919 60	168,434 50	141,618 50	108,012 75	61,166 00
Interest account, Pacific railroads and Louisville and Portland Canal Company	720 00	1,080 00	360 00	8,430 00	4,830 00	3,720 00
Treasurer's transfer checks outstanding	1,935,627 63	2,490,198 45	3,313,411 40	2,327,490 87	4,229,023 23	4,604,820 82
Treasurer's general account, interest due and unpaid	4,081,903 36	5,989,288 87	5,622,543 11	5,328,020 40	11,522,503 14	5,126,876 77
Treasurer's general account, called bonds and interest	22,140,642 55	6,928,703 15	6,699,291 87	7,997,936 46	68,632,751 95	57,377,637 39
Treasurer's general account, gold certificates	24,076,830 00	20,197,880 00	19,087,680 00	18,631,230 00	17,749,620 00	17,780,660 00
Treasurer's general account, silver certificates						
Treasurer's general account, refunding certificates						34,679,760 00
Treasurer's general account, balance, including bullion fund	182,024,116 21	304,309,305 28	397,068,409 80	371,903,524 63	331,830,872 90	358,326,082 64
Treasurer's general account, special fund for redemption of fractional currency	10,000,000 00	8,560,824 00	8,519,741 00	8,458,991 00	8,446,338 00	8,408,106 00
Treasurer's general account, outstanding drafts						
Secretary's special deposit account	28,830 43					
Treasurer United States, agent for paying interest on old funded debt, District of Columbia						
Treasurer United States, commissioner sinking fund, District of Columbia						
Treasurer United States, agent for paying interest on District of Columbia bonds	20,338 86	84,736 29	58,864 12	52,164 42	46,322 55	27,589 28
Total	322,381,021 90	433,635,297 78	530,196,550 05	488,243,607 45	518,924,225 06	559,430,680 54

Statement of the liabilities of the United States Treasury, &c.—Continued.

	July 1, 1879.	August 1, 1879.	September 1, 1879.	October 1, 1879.	November 1, 1879.
Fund for redemption of certificates of deposit, June 8, 1872	$30,805,000 00	$40,840,000 00	$35,335,000 00	$31,215,000 00	$22,510,000 00
Post-Office Department account	2,645,350 77	2,171,714 91	1,593,245 66	2,135,872 74	1,817,982 95
Disbursing-officers' balances	18,243,445 20	20,769,819 60	22,871,244 34	25,784,259 60	20,776,646 23
Fund for redemption of notes of national banks failed, in liquidation, and reducing circulation	11,374,401 25	12,892,846 25	12,717,928 25	12,939,889 75	12,832,184 25
Undistributed assets of failed national banks	609,788 15	763,694 64	725,704 75	642,314 33	764,679 31
Five per cent. fund for redemption of national-bank notes	13,326,572 79	14,332,786 23	14,623,342 00	15,082,482 99	15,742,887 52
Fund for redemption of national-bank gold-notes	221,660 00	221,660 00	221,660 00	219,940 00	219,940 00
Currency and minor-coin redemption account	5,546 22	4,262 25	3,999 38	5,482 60	2,504 40
Fractional silver-coin redemption account	467,205 15	508,793 04	272,892 56	172,327 40	88,993 85
Interest account	47,107 00	337,352 25	160,555 75	103,797 75	69,758 50
Interest account, Pacific railroads and Louisville and Portland Canal Company	3,090 00	37,869 60	11,550 00	6,270 00	3,720 00
Treasurer's transfer checks outstanding	7,273,899 54	12,805,313 91	4,364,418 56	3,719,032 21	2,662,735 57
Treasurer's general account, interest due and unpaid	21,025,377 29	11,157,106 69	7,506,022 17	11,561,093 77	9,704,299 49
Treasurer's general account, called bonds and interest	39,082,398 53	81,408,785 18	42,977,477 51	31,033,519 65	24,271,506 95
Treasurer's general account, gold certificates	17,880,650 00	15,240,700 00	15,128,700 00	14,910,900 00	14,591,000 00
Treasurer's general account, silver certificates	.....	2,785,850 00	3,281,850 00	4,221,850 00	6,135,850 00
Treasurer's general account, refunding certificates	12,848,210 00	6,058,350 00	4,396,500 00	3,688,900 00	2,899,400 00
Treasurer's general account, balance, including bullion fund	287,305,785 72	134,560,117 51	144,907,194 00	144,205,079 74	154,175,229 41
Treasurer's general account, special fund for redemption of fractional currency	8,375,934 00	.....	.....	.....	.....
Treasurer's general account, outstanding drafts	.....	.....	.....	.....	.....
Secretary's special deposit account	.....	.....	.....	.....	.....
Treasurer United States, agent for paying interest on old funded debt, District of Columbia	.....	.....	.....	.....	.....
Treasurer United States, commissioner sinking fund, District of Columbia	.....	.....	.....	.....	.....
Treasurer United States, agent for paying interest on District of Columbia bonds	162,273 65	728,737 82	382,500 82	298,435 54	274,507 35
Total	471,703,695 26	357,625,699 88	311,481,785 75	301,946,448 07	289,543,825 78

NOTE.—This statement is based upon actual returns received for the several dates to, and including, September 1, 1879, but after that date upon the latest returns received the dates mentioned.

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Allegheny, Pa., postmaster		1223
Allen, C. E		1390
Allison, Hon. W. B		358, 1302
Altoona, Pa., United States depositary		1264
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Baltimore, Md., postmaster	1265	1261
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Boston, Mass., assistant treasurer United States		329, 877, 1062, 1077, 1283, 1396
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Chester, Ill., postmaster		1282
Chicago, Ill., assistant treasurer United States	610, 1187, 1221, 1422	543, 561, 1062, 1077, 1396, 1417
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